

# SUSTAINABILITY REPORT

FISCAL 2022



**THOR**  
Go Everywhere. Stay Anywhere.™

# CONTENTS

On a journey to connect people with nature and families with each other, join us as we Go Everywhere. Stay Anywhere™.

<b>01</b>   THOR-At-A-Glance	4-11	<b>07</b>   THOR's Sustainability Priorities	24-27
<b>02</b>   FY22 Highlights & Achievements	12-13	<b>08</b>   Innovation	28-33
<b>03</b>   A Letter from our President & CEO	14-17	<b>09</b>   Social	34-51
<b>04</b>   THOR's Sustainability Strategy	18-19	<b>10</b>   Environmental	52-69
<b>05</b>   Stakeholder Engagement	20-21	<b>11</b>   Governance	70-79
<b>06</b>   Sustainability Risk Management	22-23		

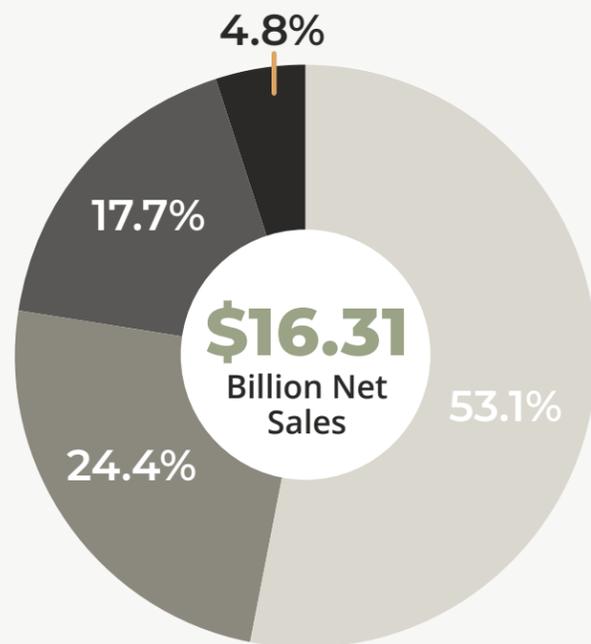
# THOR AT-A-GLANCE

## WHO WE ARE

In 1980, THOR Industries embarked on a journey to connect people with nature and families with each other. Today, we continue that journey by leading a global family of companies that make it easier and more enjoyable for families of all types to create lasting outdoor memories. Together we can Go Everywhere. Stay Anywhere.

THOR is proud of its path to become the global leader in the RV industry. The THOR family of companies designs, manufactures and markets a comprehensive portfolio of recreational vehicles and supplies for the global RV industry. RV product offerings include travel trailers, fifth wheels, toy haulers, and class A, B and C motorhomes in North America, as well as caravans, campervans and motorcaravans in Europe. THOR is also comprised of companies which supply the RV industry with materials and components and which provide innovative digital experiences.

THOR is the sole owner of operating companies which, combined, represents the world's largest manufacturer of recreational vehicles.



### NET SALES BY SEGMENT

For the Fiscal Year ended July 31, 2022

- North American Towables **\$8.66 Billion**
- North American Motorized **\$3.98 Billion**
- European **\$2.89 Billion**
- Other **\$0.78 Billion**

## North American Towable Recreational Vehicles



## North American Motorized Recreational Vehicles



## Other Operating Companies

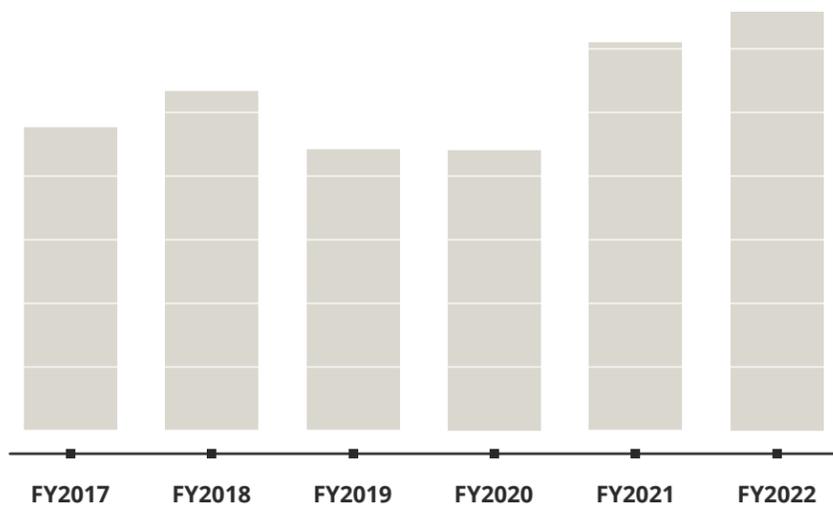


## European Recreational Vehicles





# THOR AT-A-GLANCE



ANNUAL WHOLESALE UNITS SHIPPED

-  FY 2017 **237,695**
-  FY 2018 **266,220**
-  FY 2019 **220,485**
-  FY 2020 **219,776**
-  FY 2021 **304,483**
-  FY 2022 **328,557**

 <p>Approximately <b>32k</b> Team Members</p>	 <p>Distribution in <b>25+</b> Countries</p> <p>Approximately <b>3,500</b> Independent Dealership Locations</p>	 <p>Manufacturing Operations in <b>6</b> Countries</p>	 <p><b>Countries</b> France Germany Italy Poland United Kingdom United States</p> <p><b>25,663,000</b> Square Feet <b>426</b> Facilities</p>
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# Purpose

Inspiring and empowering  
people to Go Everywhere.  
Stay Anywhere™.



# CORE VALUES

## Community

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We believe in the invigorating power of human connection and commit to our team members by teaching our leaders how to nurture, guide, and foster strong relationships with them. We commit to our customers through the products we build and the experiences we provide.

## Trustworthy

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We do right by our team members, our customers, and our communities. We strive to operate in a way that our word is trusted, and people know we will always deal with them openly and with integrity in all areas of the business. This is reflected in our commitment to provide:

- Safe work environments for our team members
- High-quality products for our customers
- Sustainability and global citizenship initiatives for the betterment of our communities

## Compassionate

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We treat others with dignity and respect, practicing thankfulness and gratitude. We build trust with our team members and our customers through caring and transparency. Our leaders listen to feedback; as a company, we are genuine and sincere, recognizing and appreciating others and practicing forgiveness.

## Adventurous

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We are nimble and innovative. We explore new opportunities and possibilities for growth across our business, our team members, and our customers. We acquire companies that will grow with our mission of human connection through outdoor discovery, wherever that may take us. We empower our team members to seize the opportunities around them and give them avenues to grow and learn. We embrace and drive change enabling our customers to Go Everywhere. Stay Anywhere™.



# HIGHLIGHTS & ACHIEVEMENTS

THOR INDUSTRIES, FY 2022



## 01 July 2021

Together Outdoors coalition works to make the outdoors a more inviting place through education, inclusion, equity and action.

## 02 July 2021

Erwin Hymer is the first ever RV manufacturer to achieve carbon net-neutral manufacturing in its RV manufacturing facilities.

## 03 November 2021

Completed initial commitment to the National Forest Foundation (NFF).

## 04 December 2021

Acquisition of Elkhart Composites, maker of Elkboard.

## 05 January 2022

Two electric vehicle concepts debuted at the 2022 Florida RV SuperShow.

## 06 January 2022

Submitted Communication of Progress to the UN Global Compact.

## 07 Spring 2022

Diversity, Equity and Inclusion (DEI) Framework rolled out to operating companies.

## 08 April 2022

Newsweek's list of America's Most Trusted Companies.

## 09 July 2022

Submitted GHG reduction targets to SBTi.

## 10 July 2022

Completed 2nd CDP submission.

## 11 July 2022

Investment in Dragonfly Energy, a leading deep cycle lithium-ion battery producer to the RV and outdoor lifestyles.

## 12 August 2022

2nd supplier survey sent to our top suppliers.

## 13 August 2022

Entered second year of partnership with Girl Scouts.

## A letter from our President and CEO

Today, more than ever, THOR Industries is focused on leading the recreational vehicle (RV) industry to a more sustainable future where our generation and the generations to follow can reap the benefits of being outdoors and connecting with nature to Go Everywhere. Stay Anywhere™.

Over the past few years, our industry has seen explosive growth. This growth has been fueled by substantial increases in the number of people camping and experiencing the outdoors, the rise of alternative RVs, investments in campgrounds and increased U.S. federal funding of national park improvements. Many campers recognize the benefits offered by the outdoor and RV lifestyles, which allow people the opportunity to connect with nature while maintaining social distance in a safe manner. While our outlook for the long-term growth and continued success of the RV industry has never been more positive, the potential effects of climate change threaten the outdoor and RV lifestyles. As the world's largest manufacturer of RVs, THOR is invested in leading the industry to combat against these threats by taking steps to become a more sustainable company and to help reduce greenhouse gas (GHG) emissions in both the near and long term.

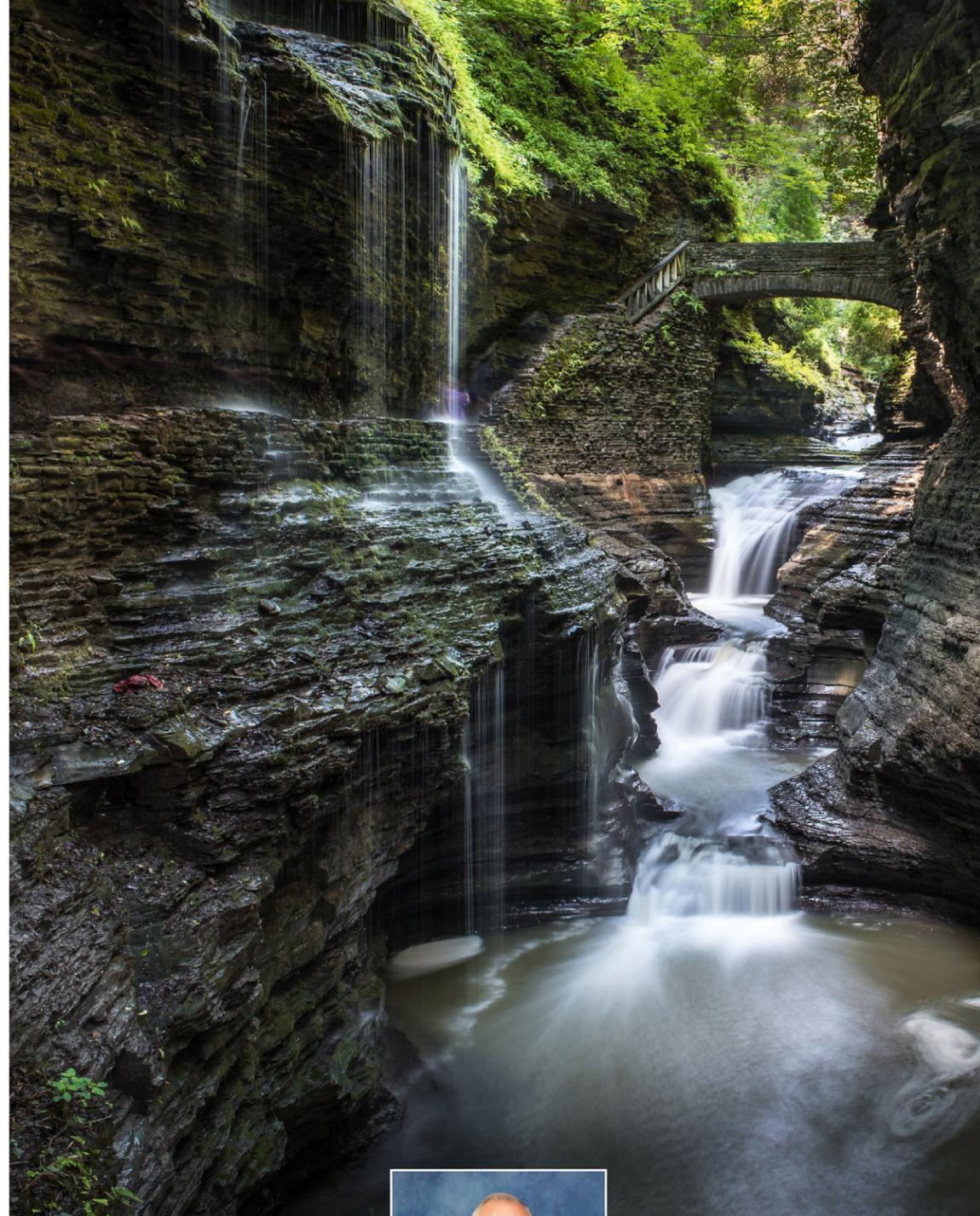
In support of our sustainability mission, in December 2021, we acquired Elkhart Composites, Inc., a maker of a proprietary composite material sold under the "Elkboard" brand name. Elkboard, used in the RV industry to construct sidewalls, helps alleviate the industry's reliance on traditional luan-based sidewalls sourced from tropical hardwood forests. This composite material is approximately 25% lighter and is more durable than conventional luan. The acquisition of Elkhart Composites is just one of the many ways we continue to progress towards becoming a more sustainable manufacturer.

Driving towards our long-term goal to be carbon net-neutral by 2050, we continue working, in the near term, to reduce the amount of emissions discharged during the manufacture of our products by reducing energy intensity, financing renewable

energy self-generation and investing in various carbon sequestering and/or renewable energy credit (REC) projects. Our efforts are already paying off. Last year, our European operations became carbon net-neutral in their RV manufacturing facilities through a combination of these initiatives, and our sustainability journey in Europe does not end there.

In Fiscal Year 2022, our European operations began investing in the expansion of renewable energies, energy-efficient systems and energy generation from the sun and bio mass. Europe has been a leader in the global fight against climate change, and we are leveraging the experiences of our European facilities as we pursue net-neutral carbon emissions from our North American and global operations by the year 2050.

In the long term, and consistent with our operational strategy, we are also pursuing reduction of GHG emissions through the development and sale of our innovative electric offerings. The first two such concepts, the electric THOR Vision Vehicle motorhome and the towable AIRSTREAM® eStream™ travel trailer, are part of our eMobility strategy that we initiated several years ago. The THOR Vision Vehicle is designed to maximize chassis performance. Our Airstream eStream is designed to enable the trailer to move in harmony with the tow vehicle, reducing the pulling effect required from the tow vehicle, resulting in increasing the range of an electric tow vehicle and fuel efficiency in a gas tow vehicle. In support of our efforts to move to an electrified future, we have made a significant investment in evaluating lightweight alternatives to traditional designs and in developing cutting edge aerodynamics to improve vehicle efficiency. This investment will help propel our strategy to extend the range in our electric RVs and also bring relief today as we reduce weight and drag to improve the efficiency of our motorized and towable RVs. Our eMobility strategy is an exciting plan to move THOR and the RV industry into the electric future.



**BOB MARTIN**  
PRESIDENT AND CEO

In July 2022, we made another strategic move to further demonstrate our commitment to a much larger vision of energy sustainability through our investment in Dragonfly Energy, a leading deep cycle lithium-ion battery producer to the RV and outdoor industries. Dragonfly's patented all-solid-state cell technology is displacing lead-acid batteries across a wide range of end-markets, including RVs, and enables a more sustainable and reliable smart-energy grid.

As part of our overall sustainability strategy, we are also taking measures to combat threats to the outdoor lifestyle. In Fiscal Year 2022, we completed a multi-year commitment to the National Forest Foundation (NFF), the only nonprofit dedicated to preserving national forests and grasslands. Our investment supported NFF's mission to preserve the long-term vitality and sustainability of over 193 million acres of land. Additionally, THOR committed to funding the planting of 500,000 trees which will help restore vital forest ecosystems, improve air quality and offset U.S. emissions, among other things. More recently, we announced a new phase of this partnership with even deeper investment by THOR as we seek to help empower NFF to drive a sustainable solution for our National Forests.

As we continue our efforts to invest in positive ways to combat the climate changes that threaten the outdoor and RV lifestyles, we are also focused on raising social awareness to equity and inclusion issues in the outdoor arena. We believe diversity is a mainspring for sustainable development, and raising awareness to these issues in the outdoor space is a priority for THOR. As such, in 2021, we partnered with the Outdoor Recreation Roundtable (ORR) to establish and fund the Together Outdoors coalition, which works to make the outdoors a more inviting place through education, inclusion, equity and action.

As part of our continued commitment to promote inclusivity in the outdoors and to provide opportunities for all people to get out into nature, in August 2022, we continued our two-year partnership with Girl Scouts of the USA (GSUSA). As part of this commitment, THOR is the sponsor of GSUSA's largest and most popular outdoor event, Girl Scouts Love State Parks. The annual event is hosted in nearly 500 state parks across all 50 states and Puerto Rico, and as part of this sponsorship, Girl Scouts is incorporating THOR's own sustainability program, Pick Up America, into its park stewardship efforts. We are extremely proud to be working with Girl Scouts

not only because they are an incredible organization but because our core values align so well. Girl Scouts works with girls from all different backgrounds to provide life lessons, offer leadership skills and get them connected with nature and with each other.

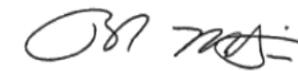
Another way THOR is supporting and investing in the education of our youth and getting them introduced to the outdoor lifestyle is through our LEAP Program. LEAP stands for Learn, Engage, Achieve and Perform, and the program offers local students an immersive RV industry experience where THOR team members teach the students about business management, team-building skills, product design, engineering and more. We engage the students in problem-solving challenges they might face in a manufacturing environment or engineering office. The program seeks to generate not only an interest in and appreciation of the RV industry, but it also allows students to experience the adventure of the outdoors lifestyle and the fun RVs can bring to the outdoors.

Our inclusivity and developmental activities continue beyond our ORR / GSUSA partnerships and our LEAP Program and extend to our corporate and operating company team members. We established a Diversity, Equity and Inclusion (DEI) Framework that focuses on

four areas: 1) executive leadership commitment and accountability, 2) a diverse workplace, 3) a connected culture and 4) an exceptional employer brand. It is our belief that an inclusive and diverse workforce supports strong sustained performance and growth in the long term. Furthermore, establishing an inclusive work environment will enable us to attract talented team members and allows us to be more innovative and responsive to consumer needs.

Our sustainability journey continues to progress quickly. We will continue to lead the RV industry down the path of creating a better outdoors for generations to come as well as creating a more inclusive workplace where all team members feel welcome, encouraged and heard. A sustainable future bodes well for the future of our Company, our stakeholders and the RV industry and for the greater outdoors and all it has to offer.

Sincerely,



**Bob Martin**

*President and Chief Executive Officer*

“

We completed a multi-year commitment to the National Forest Foundation (NFF) to support their mission to preserve the long-term vitality and sustainability of over 193 million acres of land.

”



## Report Scope

This report covers our global operations for the fiscal year ended July 31, 2022 ("Fiscal Year 2022"). Unless otherwise noted, data presented throughout the report covers all material members of our family of companies but excludes acquisitions made during Fiscal Year 2022. The data in this report is not externally verified and may occasionally be restated due to improvements in data collection methodology. Actual results may vary significantly from expectations expressed or implied in the report; undue reliance should not be placed on forward-looking statements.

# THOR'S SUSTAINABILITY STRATEGY

We are committed to design and responsibly manufacture innovative products that allow our end consumer the freedom and flexibility to enjoy the outdoors and connect with nature in a sustainable manner, whenever and wherever they want. We are also committed to providing a safe and inclusive workplace for our team members and to support the communities in which our team members live and work.

Our sustainability strategy reflects input from our stakeholders, results of our sustainability risk management process and our identified sustainability priorities. We continue to build and advance our sustainability strategy to identify opportunities for improvement across our company to meet the needs of our team members, partners, consumers and communities while actively addressing our impact on the environment. Our sustainability strategy aligns with our business strategy and focuses on three elements: environmental concerns, social responsibility and governance.



## Environmental Strategy

Minimizing our impact on the planet and contributing to a more sustainable future is a key focus area in our overall sustainability strategy. In an effort to take action to combat climate change and its impacts, our environmental strategy focuses on reducing GHG emissions, reducing waste to landfill and using water in a more conservative manner. As part of our environmental strategy, we are focused on creating innovative solutions including, but not limited to: 1) selective automation initiatives at our plants to create lighter-weight products with higher quality and less waste, 2) sustainable product innovations that enable more efficient usage of onboard vehicle resources like water and energy, 3) connected vehicles that make it easier for consumers to use our products and better understand their resource usage to encourage more sustainable behaviors and 4) the development of electric vehicles to reduce reliance on internal combustion engines, thereby helping to drive lower GHG emissions.

For more information on our environmental strategy, please refer to the Innovation and Environmental sections of this report.

## Social Strategy

People are at the center of our sustainability efforts. Social issues, ranging from the health and safety of our team members to inclusive and equitable career development to the empowerment of all women and girls, are the foundation of our social strategy. In addition, our focus on community engagement is a priority, and key social areas are an important part of our corporate initiatives.

In support of our social strategy, specifically regarding the health and safety of our team members, selective automation initiatives have been implemented at our plants to provide a safer and more ergonomic work environment for our team members.

We believe our social strategy to influence our company culture and be present in our communities allows us to continue leading the way for our family of companies.

For more information on our social strategy, please refer to the Social section of this report.

## Governance Strategy

Our governance strategy focuses on transparency in reporting and alignment with evolving sustainability requirements.

For more information on our governance strategy, please refer to the Governance section of this report.



### Environmental

In 2020, THOR became a signatory to the “Business Ambition for 1.5°C” with a commitment to achieve net-neutral carbon emissions on or before 2050 and has since pledged to reduce its carbon emissions by 50% on or before 2030.



### Social

Comprehensive DEI program across the organization that includes greater diversity in leadership positions.



### Governance

Developing and implementing strategy to ensure alignment with evolving regulations, with focus on the SEC's Proposed Rule on Climate Change.

# STAKEHOLDER ENGAGEMENT

An integral part of our approach to sustainability includes the engagement of our stakeholders, on a formal and informal basis, to better understand their concerns and needs related to sustainability and to identify potentially significant sustainability-related risks and opportunities.

An overview of this engagement is below:

## Investors

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### Focus Area

Business performance, corporate governance, executive compensation, regulatory risks, sustainability-related risks and opportunities.

### Communication Methods

THOR website, quarterly and annual SEC filings and Investor Relations materials (press releases, Q&A documents and presentations), annual shareholder meeting, investor day.

## Team Members

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### Focus Area

Business performance, culture - including inclusivity and diversity, development opportunities, training, safety, compensation and benefits.

### Communication Methods

Handouts and break-room bulletin boards, intranet sites, townhall meetings, internal communications, websites, social media, volunteer opportunities and community events, risk surveys, culture surveys.

## Customers (including dealers & end consumers)

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### Focus Area

Product safety, quality and innovation; sustainability-related risks and opportunities.

### Communication Methods

Sales account relationships, websites, multi-media content, community involvement, social media, advertising campaigns, end-user surveys and focus groups, Open House and RV shows.

## Communities in Which We Work and Operate

(including local government leaders)

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### Focus Area

Response to COVID, business performance and employment opportunities, corporate philanthropy, sustainable manufacturing.

### Communication Methods

Meetings with local government leaders, partnerships with local charities and schools, school visits and engagement, volunteer events and sponsorships, websites, social media.



## Suppliers

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### Focus Area

Business performance, supplier growth and diversity, quality, innovative products, ethics and integrity.

### Communication Methods

Supplier surveys, supplier policies, websites, periodic site visits, direct engagement.

## Trade Associations

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### Focus Area

Product quality and safety, sustainability efforts.

### Communication Methods

Participation in association meetings, speaking engagements, conferences, trade association board leadership.

## Government & Regulatory Agencies

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### Focus Area

Compliance, greenhouse gas emissions and regulations, public health and safety.

### Communication Methods

Public filings and reports, websites.

## Campsites & National Parks

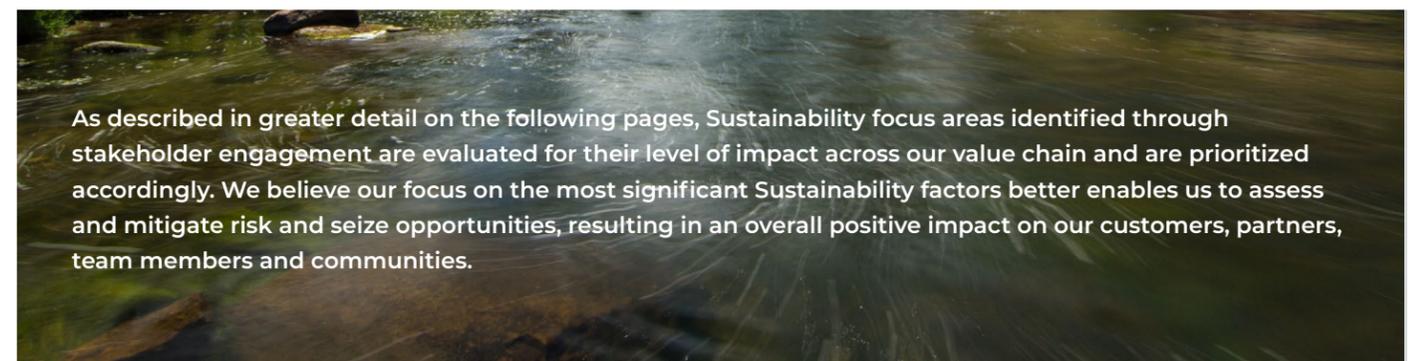
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### Focus Area

Infrastructure - including EV charging stations, availability of campsites.

### Communication Methods

Engagement with state and federal government leaders to help influence the creation of necessary infrastructure.



As described in greater detail on the following pages, Sustainability focus areas identified through stakeholder engagement are evaluated for their level of impact across our value chain and are prioritized accordingly. We believe our focus on the most significant Sustainability factors better enables us to assess and mitigate risk and seize opportunities, resulting in an overall positive impact on our customers, partners, team members and communities.

# SUSTAINABILITY RISK MANAGEMENT

Our risk management process is designed to ensure appropriate monitoring of, and controls over, risks associated with our business. Sustainability focus areas identified by our stakeholders are included in our formal annual risk survey, where internal survey respondents evaluate and prioritize the risks related to, among other things, the sustainability topics to help identify those that are most significant to THOR.

## Risk Management Process

THOR's Enterprise Risk Management (ERM) program is based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management – Integrated Framework. Our ERM program includes a formal, annual assessment of risks facing the company, typically highlighting a one-year time horizon, where participants force-rank a number of risks based on financial impact and likelihood of occurrence. In addition to the force-ranking of risks, the survey participants are also asked to self-identify the top risks for their individual operating companies or for THOR, as a whole. The top ten risks, identified as a result of the annual ERM survey, along with risk mitigation plans are reviewed with THOR's Executive Leadership Team and Board of Directors.

While the formal ERM survey process occurs once a year, our ERM program also includes a less formal, dynamic risk assessment process that takes place throughout the year. In this process, management continually observes and analyzes potential risks and hazards facing THOR and reports these risks, along with identified mitigation plans, to the Board of Directors on a regular basis.

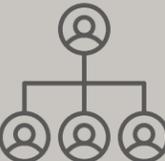
New in our Fiscal Year 2022, we expanded our ERM program to include more sustainability and climate-related risks for analysis and consideration. As part of our annual ERM survey, respondents were not only asked to rank a list of sustainability and climate-

related risks in the short-term, but they were also asked to self-identify risks around sustainability-related topics over medium and long-term time horizons.

## Physical Risks

A potential physical risk that has been identified for THOR is the geographic centrality of the North American RV industry in northern Indiana, where the majority of our facilities and many of our suppliers are located. Because our U.S.-based operations are primarily centered in northern Indiana, the potential exists for a greater adverse impact from natural disasters, such as weather-related events (e.g., blizzards, tornadoes).

An additional potential physical risk that has been identified for the usage of our products is the availability of camping and RV facilities. The acute, physical risk of more extreme weather and climate events – such as storms, floods, droughts and wildfires – is a potential threat to the availability of facilities where our products are used. The chronic, physical risks of temperature increases, sea level rises and other gradual changes to the climate that will adversely impact global ecosystems are a potential long-term threat to the availability of camping and RV facilities.

 <p><b>Risk Management</b> A formal annual assessment of risks facing the company based on financial impact and likelihood of occurrence.</p>	 <p><b>Physical Risk</b> Impact from natural disasters, extreme weather and climate events.</p>	 <p><b>Transition Risk</b> Transition to a lower carbon economy.</p>	 <p><b>Human Capital Risk</b> Competition for skilled workers &amp; ability to attract and retain workers.</p>
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## Transition Risks

We believe we are at risk of issues created by the transition to a lower-carbon economy. These risks include: 1) policy actions that attempt to constrain activities that adversely affect the climate as well as policy actions that promote adaption to climate change; 2) possible litigation or legal risk related to lower-carbon products or insufficiency of climate-related financial disclosures; 3) technological risks or innovations that support the transition to a lower-carbon, energy-efficient economic system; and 4) market risk related to the possible shifts in demand for our products.

## Human Capital Risks

In addition to the ongoing physical risks mentioned above, the geographic centrality of the North American RV industry in northern Indiana creates certain human capital risks and challenges. Competition for skilled workers, especially in times of low unemployment or periods of high demand for RVs, can limit our ability to attract and retain skilled workers. Employees with industry knowledge and experience may be attracted to other positions or opportunities, and their ability to change employers is relatively easy.

# THOR'S SUSTAINABILITY PRIORITIES

The chart below highlights our priority Sustainability topics which are informed by our stakeholder engagement and ERM processes and align with the United Nations Sustainable Development Goals (SDGs):



## Innovation (SDG 9: Industry, Innovation & Infrastructure)

**Goal: To build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**

- We are implementing selective automation at our plants to create lighter-weight products with higher quality and less waste while providing a safer and more ergonomic work environment for our employees.
- We are making investments in cutting-edge battery technology and aerodynamic design improvements to help reduce the carbon footprint of our products.
- We are focused on an electrification strategy and have made significant progress, recently introducing two electric RV concepts.

For more information, please refer to the Innovation section of this report.



## Social (SDG 3: Good Health and Well-Being)

**Goal: To ensure healthy lives and promote well-being for all at all ages**

- We put the well-being, health and safety of our team members first and are committed to maintaining a robust safety culture that aims to prevent workplace injuries.
- To further support the well-being of our team members, along with their partners, spouses and dependents, we offer a full complement of wellness benefits including, but not limited to, medical, dental, vision, critical care and company paid life insurance.
- We were at the forefront of the COVID-19 pandemic response and implemented a playbook of protocols across our comprehensive THOR family of companies. We engaged with business and government leaders to advocate a safe and sound approach.
- We closely follow guidance from the Center for Disease Control (CDC) to ensure the health and well-being of our team members remains top of mind, we encourage our team members to receive all recommended doses of the COVID-19 vaccine and we work closely with each location to ensure testing is available, if and when needed.

For more information, please refer to the Social section of this report.



## Social (SDG4: Quality Education)

**Goal: To ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**

- We have educated thousands of local students through our LEAP Program, which teaches students, among other things, leadership skills, lean manufacturing and problem solving as it relates to the RV industry.
- We offer leadership and development opportunities throughout our family of companies and have recently developed a new Executive Development program, focused toward next-level executives and high-potential talent, which is poised to launch during our fiscal year ending July 31, 2023.

For more information, please refer to the Social section of this report.



## Social (SDG5: Gender Equality)

**Goal: To achieve gender equality and empower all women and girls**

- We continued our two-year partnership with Girl Scouts, who works with girls from all different backgrounds to provide life lessons, offer leadership skills and get them connected with nature and with each other.
- Our Board of Directors adheres to a Diversity Policy to include qualified candidates with diversity of gender, race and ethnicity.

For more information, please refer to the Social section of this report.



## Environmental (SDG 6: Clean Water and Sanitation)

**Goal: To ensure availability and sustainable management of water and sanitation for all**

- We are focused on creating sustainable products that allow for more efficient usage of energy and water.
- We use recycled water to leak-test all of our RV products, and we continue to identify opportunities to reduce fresh water consumption during the assembly of our products.

For more information, please refer to the Environmental section of this report.



## Environmental (SDG 13: Climate Action)

**Goal: To take urgent action to combat climate change and its impacts**

- We are a signatory of the “Business Ambition for 1.5° C” and have committed to be carbon net-neutral by 2050 with an interim target of 50% reduction in Scope 1 and Scope 2 GHG emissions by 2030.
- We have set a target of 50% reduction in solid waste to landfill in or by 2030, and we are in the process of identifying opportunities to reduce fresh water consumption in the future.

For more information, please refer to the Environmental section of this report.



# INNOVATION





# INNOVATION

**Innovation fuels our sustainability journey as we work to create products that are more aerodynamic, lighter-weight and easier to use and that meet the next generation's expectations. We believe that by helping people get outside to experience nature, we are creating new advocates for stewardship of the environment. These actions help ensure the great outdoors remain great for generations to come.**

To achieve these ambitious goals, we have created an innovation ecosystem, led by our Senior Vice President of Global Innovation. This worldwide team consists of engineers, business and strategy leaders at our corporate U.S. Innovation Lab (USIL), specialists at our Innovation Camp in Europe and innovation team members across our family of companies. The members of this ecosystem are focused on finding, partnering and creating technical and business innovations to improve and expand the RVing experience.

## Selective Automation

Our employees are at the center of what we do. Automating work functions to assist our employees with skillfully building our product is paramount. To that end, we are learning from some of our European companies, that are already mature in selective automation, as we explore similar opportunities in North America to improve ergonomics and create a pathway for higher-tech roles within our enterprise. In addition to improving ergonomics for our team members, selective automation allows us to improve the quality of our products, enabling our vehicles to have longer lifecycles when connecting customers with the outdoors.

## Connected Vehicles

Our connected vehicle program makes our vehicles easier to use and gives consumers a better view

of how they use their vehicle's onboard resources like energy and water. Research shows that the "conservation behavior" consumers exhibit when camping often extends well beyond the campsite, helping encourage more sustainable behavior at home. Additionally, certain connected vehicle models now allow consumers to easily see how much power they are generating via the roof-mounted solar panels that are available on many of our RVs.

## Sustainability

We are focused on more sustainable manufacturing, and in December 2021, we acquired Elkhart Composites, Inc., a maker of "Elkboard", a composite material used in the RV industry for sidewalls.



Dragonfly Energy Lithium-ion Battery

Lightweight, rigid and durable, Elkboard can replace traditional lauan-based sidewalls which are constructed from lauan wood that is sourced from tropical hardwood forests that continue to be over-harvested. Elkboard is a locally created solution that is not susceptible to rot or delamination. This composite material helps create recreational vehicles that can last longer. With additional R&D investment, we believe the Elkboard product can be used as a solution in several other RV applications.

We are also investing in cutting-edge battery technology and aerodynamic design improvements to reduce the carbon footprint of our products. In July 2022, we invested in Dragonfly Energy, a leading lithium-ion battery producer in the RV industry. Dragonfly has an innovative approach to energy storage, including the development of battery packs, energy systems and cell manufacturing technologies. This strategic relationship furthers our sustainability commitment as Dragonfly's patented all-solid-state cell technology, when connected with onboard vehicle solar, will enable a more sustainable use of our products.

Additionally, we are advancing our already-considerable knowledge of aerodynamic design to help reduce the energy use and carbon emissions of our vehicles. In our Fiscal Year 2022, we completed aerodynamic research projects comprising of wind tunnel testing on three different travel trailer models. This includes 57 iterations of computer fluid dynamics testing and 64 distinct wind tunnel test segments.

This aerodynamics research has the potential to exponentially impact vehicle efficiency when combined with reducing the weight of our vehicles. In North America and Europe, engineers are analyzing vehicle systems and presenting solutions to reduce the weight of RVs made by the THOR family of companies. We are currently developing innovative lightweight, aerodynamic construction methodology with wide potential application within the enterprise.

The findings of these projects are regularly shared with our operating companies around the world so they can improve the aerodynamic performance and overall efficiency of their vehicles.

## Electric RVs

We have also been focused on an electrification strategy and have made significant progress on our journey. In January 2022, we unveiled two electric RV concept vehicles, an electric motorhome and an electric travel trailer.

The motorhome concept, the THOR Vision Vehicle, is built on an electric chassis with an integrated fuel cell supported by advanced lightweight materials, an integrated solar roof and an improved aerodynamic design.

The eStream travel trailer concept is built on a cutting-edge electric chassis. The e-trailer improves towing range in electric tow vehicles and gas mileage for internal combustion tow vehicles. This chassis, combined with advances in aerodynamic design, is intended to reduce the load on tow vehicles, thus reducing tow vehicle emissions and enabling consumers to go farther with fewer stops to recharge or refuel.

These concepts were an exercise in the art of the possible. While we develop our roadmaps to deliver on the features embodied in these concept vehicles, we are sharing many of the key innovations that can be applied to current products throughout the THOR family of companies.

Our ongoing investment in innovation is paving the way for meaningful progress in the RV industry. Our focus on innovation will be a key driver to our success on our sustainability journey while inspiring others in our industry to join us.

## THOR Vision Vehicle

A concept motorized RV built on an electric chassis with an integrated fuel cell supported by advanced lightweight materials and integrated solar roof.



- Projected range: Best in class 300 mile range powered by a high-capacity battery pack and an integrated fuel cell.
- Digital House Experience: The THOR Vision Vehicle, the world's most capable recreational vehicle, offers best in class design.
- Digital Cockpit: Experience an innovative and intuitive RV experience with an integrated digital cockpit experience.
- Power Management: Digital tools will allow a driver to quickly see how many miles are left before the next charge and allow the driver to find charging stations from a mobile phone.
- Charging: The THOR Vision Vehicle provides the ultimate trip planning and charging technology.



Two offset electric motors in the eStream's drivetrain provide 30kW (40 hp) of continuous power but deliver up to 90kW (121 hp) as needed. With reduction gearing, the motors deliver an impressive 1,062 lb-ft of torque at the wheels. This system has the potential to significantly reduce a combustion engine tow vehicle's fuel consumption and increase an EV tow vehicle's range.

The eStream Concept Vehicle travel trailer has been recognized for design excellence, in the Red Dot Product Design competition, for design advances in power usage, sustainability gains for tow vehicles and an enhanced RV user experience.



**Airstream eStream Earns 2022 Red Dot Product Design Award**

## Airstream eStream

A fully-electric concept travel trailer aimed at the future of electrified travel.

**SOCIAL**



# SOCIAL

**Our social priorities focus on 1) Good Health and Well-Being, 2) Quality Education and 3) Gender Equality not only for our team members but for the communities in which we work and live. We prioritize the well-being, health and safety of our team members and focus on issues around diversity, equity and inclusion while implementing an ethical and connected company culture. We continually explore ways to engage with our communities through partnerships and direct giving to support the health and well-being, education and gender equality within our communities. Finally, we are working with our suppliers to increase awareness of, and enhance their activities around, sustainability issues. We believe our social strategy to influence our company culture and be present in our communities allows us to continue leading the way for our family of companies.**

## Good Health and Well-Being

Our social priorities begin with the health and well-being of our team members, where we take a holistic approach to team member benefits. As we evaluate our benefits and compensation programs, we focus on five well-being pillars: health, safety, financial, social and intellectual. Our benefit and compensation programs go beyond traditional medical benefits and allow our team members to focus on more important goals.



### Health

Supported by our decentralized operating model, our family of companies has the autonomy and responsibility for making strategic decisions at the local level, including making the right decisions as it pertains to team member well-being, benefits offered and compensation plans. In addition to traditional medical health benefits that are offered to all team members, each of our companies provide additional health benefits that line up with their business objectives and are meaningful to their individual team members. For example, our companies offer a wide range of services from on-site health clinics and fitness centers to programs like free telehealth visits and health advocacy professionals which support team members going through an elective surgery.

## On-Site Clinic

Airstream provides an on-site health clinic at no cost to their associates and their family members who participate in Airstream's sponsored healthcare insurance plan. The clinic features a variety of available services aimed at addressing the health and wellness needs of Airstream's nearly 1,200 associates – from common ailments to workplace injuries. The clinic is staffed by a full-time Certified Nurse Practitioner, as well as a Certified Medical Assistant, who work in collaboration with a board-certified physician. Airstream has also added an Industrial Athletic Trainer to their team to provide ergonomic job analysis, assistance with musculoskeletal injuries and stretching programs, among other services.



Airstream's On-Site Clinic

## On-Site Gym

As a part of Jayco's health and well-being initiatives, team members can access an onsite gym for a small one-time fee. The gym is approximately 1,800 square feet and is fully equipped with weights and exercise equipment. Team members who sign up to use the gym have access to utilize the space and equipment 24/7. For a minimal annual fee, a team member's dependents can also use the gym.



Jayco's On-Site Gym

## Safety

Driven to be an industry leader, THOR commits to putting the safety of our team members first across our global family of companies. By aligning best practices from across the organization, we strive to facilitate and promote a safety culture designed to proactively eliminate hazardous conditions and reduce workplace injuries. Through sustained, consistent communication among the safety teams from each of our operating companies, THOR is able to share timely information about new safety solutions and ideas. Historically, THOR has measured safety performance by utilizing reports and safety metrics, such as the OSHA recordable rate (ORR) and Lost Time Incident Rate (LTIR), specifically comparing performance against NAICS industry benchmarks. After an extensive review of past fluctuations in the industry benchmark and a thorough analysis of our own historical safety performance, THOR laid out its own, internal benchmarking system. Our goal is to decrease our Recordable Incident Rate to an internal benchmark of 5.5. We will also strive to decrease our Lost Time Incident Rate to 0.6.

As we continue to focus on the health and safety of our team members, we are focused on preventing injuries, not just reducing the number of workplace incidents. As we continue to manage through the workforce challenges brought about by the pandemic, our companies continue to evolve their safety strategies to address an ever-changing workforce. THOR has developed an expanded annual safety audit program for each of our North American subsidiaries launching in Fiscal Year 2023. In addition to the normal site plant safety walks, the expanded program provides for an extended review of each operating company's safety program, training documents, OSHA records and workers' compensation performance. THOR's internal benchmarks and expanded audit program were designed to help further drive the safety focus in each of our operating companies and provide tangible goals and constructive feedback that will ultimately improve safety performance.

To find more information about THOR's safety efforts, please see our Occupational Health and Safety Policy on our Sustainability website.

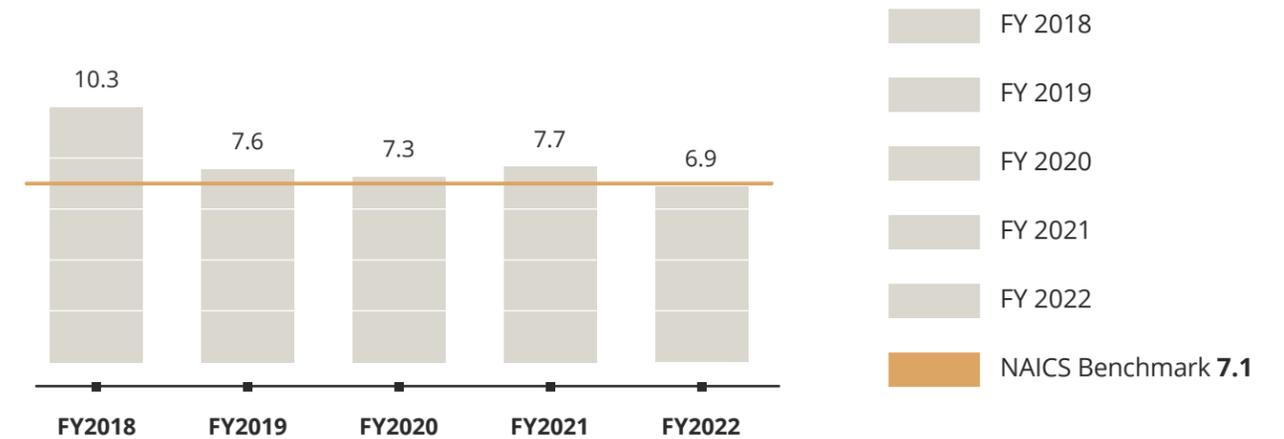
### Airstream Safety and Dozuki Wally's Dream of Innovation

Wally Byam, founder of Airstream, is known worldwide for his innovative contributions to the Recreational Vehicle industry. It is that hunger for innovation which led Airstream's Director of Continuous Improvement, Chalse Walker, down the path to one of the most intuitive and adaptive, web-based software packages on the market, Dozuki. Dozuki is used throughout the production process at Airstream to standardize work and to ensure quality products are produced safely every day. Departmental safety audits, toolbox talks, wikis, guides, and item pages all combine to provide an incredible platform for Airstream to use to protect our associates. Each Dozuki guide includes a list of required personal protective equipment needed, cautionary safety call-outs, and links which can be visited by associates who may need further clarification on how to safely do their jobs.



### RECORDABLE INCIDENT RATE (RIR)

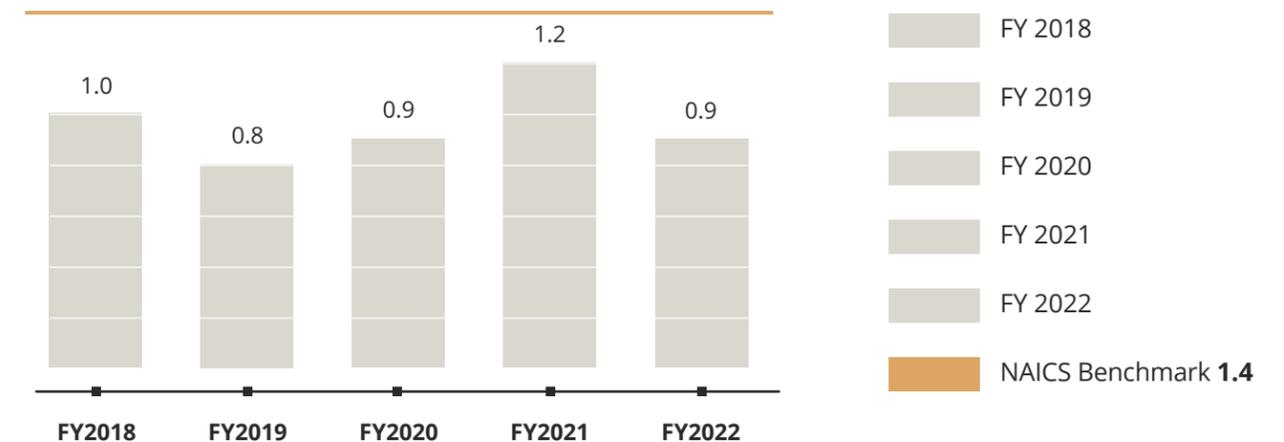
Per 200,000 hours worked; NA RV Operations FY22<sup>(1)</sup>



- FY 2018
- FY 2019
- FY 2020
- FY 2021
- FY 2022
- NAICS Benchmark 7.1

### LOST TIME INCIDENT RATE (LTIR)

Per 200,000 hours worked; NA RV Operations FY22<sup>(1)</sup>



- FY 2018
- FY 2019
- FY 2020
- FY 2021
- FY 2022
- NAICS Benchmark 1.4

(1) Excluding Airxcel as they were acquired during Fiscal Year 2022.

### Financial

Along with addressing the health of our team members, we recognize the importance of providing financial peace of mind. In meeting this objective, our companies offer competitive compensation packages, a retirement plan with matching contributions, company paid life insurance, short-term and long-term disability plans, comprehensive medical, dental and vision coverages, as well as employee perks which include discount programs to purchase, among other things, RVs directly from our family of companies, vehicles through several major automobile manufacturers and fitness memberships.

Recognizing an opportunity to support our team members in need and the greater community, we collaborated with another RV manufacturer, Forest River, to establish a foundation to provide up to \$20,000 in financial assistance to team members, of either organization, experiencing hardship. In addition to supporting team members of THOR organizations, this program helps the broader community around Elkhart County, Indiana (in which Forest River is also headquartered) and the surrounding areas. In our Fiscal Year 2022, this program gave over \$217,000 to 25 THOR and Forest River team members.

### COVID-19 Oversight

As conditions affecting the pandemic continue to evolve, we continue to take the necessary precautions to protect our team members and support the efforts of our communities with the focus on stopping the spread of COVID-19. As such, we closely follow guidance from the Center for Disease Control (CDC) to ensure the health and well-being of our team members remains top of mind. THOR team members across our global family of companies are encouraged to receive all recommended doses of the COVID-19 vaccine, and we work closely with each location to ensure testing is available, if and when needed.

“

The Community Foundation is an opportunity for us to give back to the people who make our companies strong by helping them when unforeseen circumstances create unanticipated expenses that can be crippling to a family.

*Bob Martin*

”





## Quality Education

### Talent Development

With competition for top talent fiercely accelerating, one of our main priorities is improving the skills of our leaders as we aspire to embody an engaging and meaningful workplace. Throughout THOR, our companies have developed specific programs and plans to address talent development needs that fit their cultures. THOR has also developed a new Executive Development program focused toward next-level executives and high-potential talent across our family of North American companies to ensure our team members are getting what they need for their personal development. This program is poised to launch in our fiscal year ending July 31, 2023.



## Gender Equality

### Diversity, Equity And Inclusion

Our Inclusion vision is built upon establishing and sustaining an inclusive culture foundation where our team members feel uniquely valued, welcomed and psychologically safe to contribute their best. This foundation is essential to further support our goal of creating a work environment where team members are provided career building opportunities. To emphasize this commitment, we have established the following Mission:

***To welcome and celebrate employees from all socio-cultural dimensions and encourage continued contribution.***

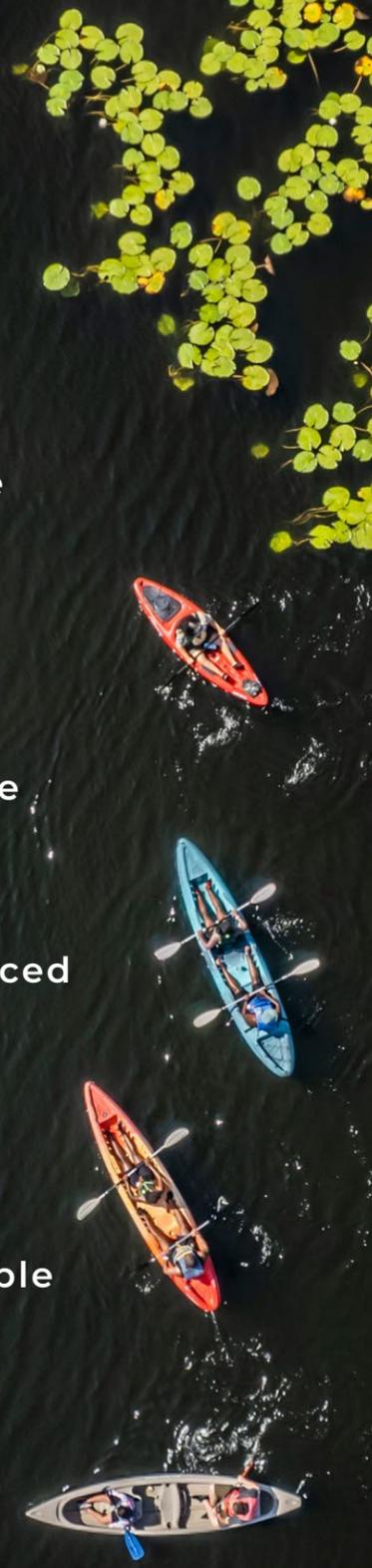
Guided by THOR's Inclusion Vision and Mission, each of our operating companies develop and establish their own specific inclusion strategy. With each strategy, our family of companies have utilized THOR's Inclusion Framework, which consists of four pillars, serving as a tool and guide to measure effectiveness and goal achievement. THOR leadership provides the needed support and counsel to our companies through regular engagement and access to our Inclusion Consultant.



Sustainable change requires unyielding groundwork. Over the past twelve months, Diversity, Equity, and Inclusion continues to evolve far beyond compliance to become a key organizational priority for THOR Industries. The enhanced People-Centered Vision has amplified our commitment and investment in establishing sustainable processes, systems, and resources to lift Diversity, Equity, and Inclusion.



**Ken Julian**  
**SVP Administration and Human Resources**



## THOR'S INCLUSION FRAMEWORK

- Exceptional Employer Brand**
  - Advance Civic & Community Engagement
  - Eliminate Barriers to Inclusion
- Foster Connected Culture**
  - People Leadership Development
  - Strengthen Career Pathways for Employees
  - Support DEI Committee(s) Initiatives
- Executive Leadership Commitment & Accountability**
  - Promote THOR inclusion goals
  - Senior Leadership uplifts Diversity & Inclusion programs
  - Corporate Communication Excellence
- Diverse Workplace**
  - Raise the bar on Diversity Recruitment & Hire
  - Collaborative Team Environment

## Women in Leadership

This year, RV Pro published their women in leadership issue, which features THOR's VP of Marketing, Renee Jones, and Airxcel's GM of Aqua-Hot, Selma Salhagic. We are proud of our team members and their dedication to leading the industry.



Selma Salhagic Airxcel's GM

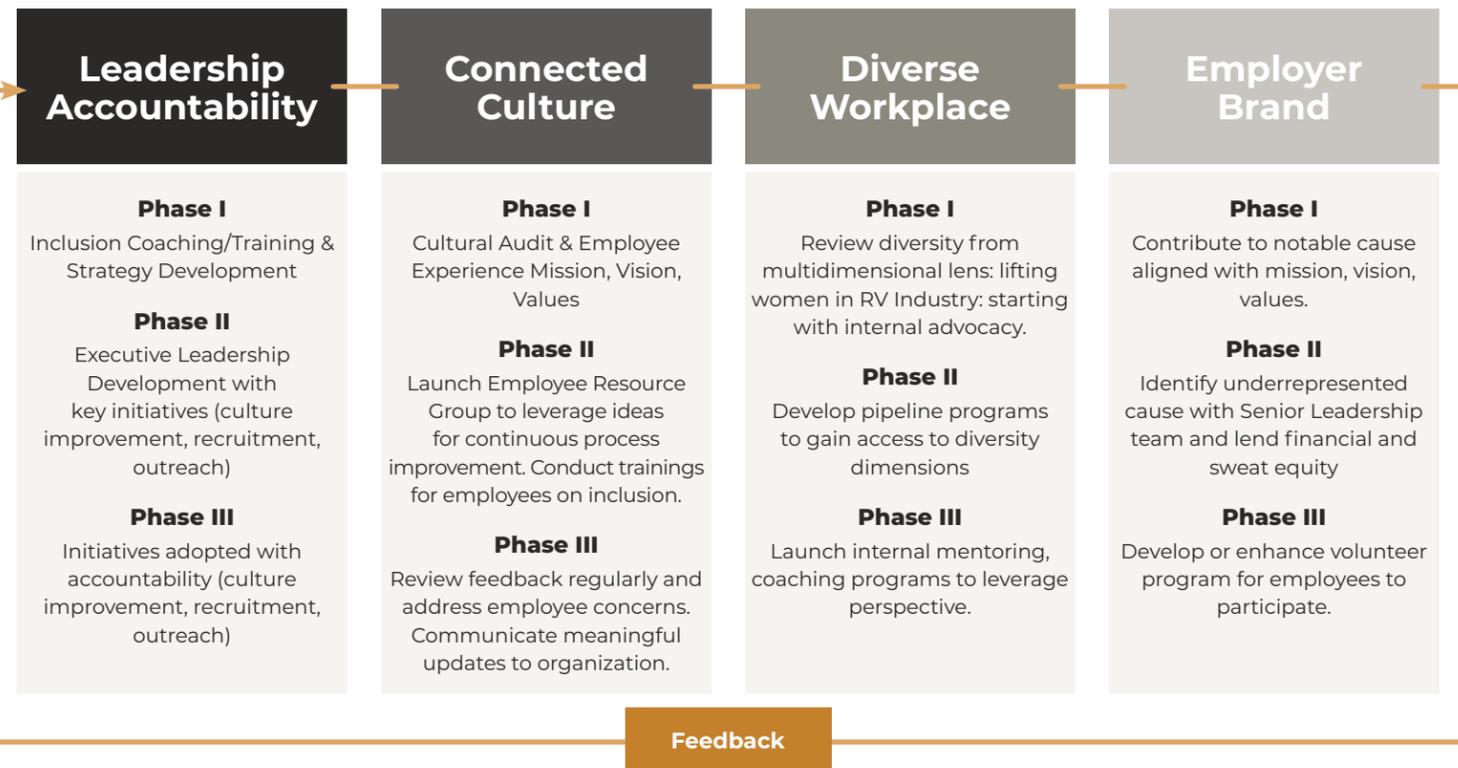


Renee Jones THOR's VP of Marketing

As a tool to help our companies assess their current maturity of and to aid in strategizing on DEI initiatives, THOR has adopted a DEI maturity model. We believe this model represents the most effective way we can achieve significant gains through leadership ownership, strategic measure and culture accountability. As each THOR company lays out their plans, periodic sessions with our Inclusion Consultant help develop a strong, long-term DEI strategy which supports our Mission and sets THOR apart from our peers.

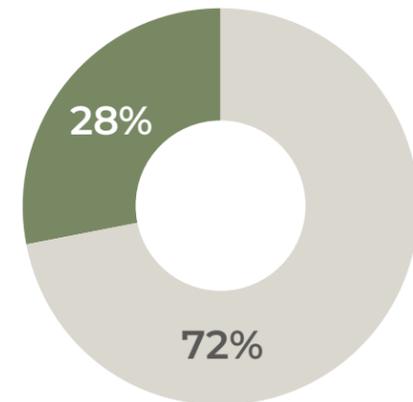
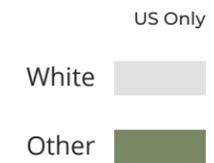
## OPERATING COMPANY PROGRESSIVE DECENTRALIZED DEI MODEL JOURNEY

Journey to Becoming an Employer of Choice

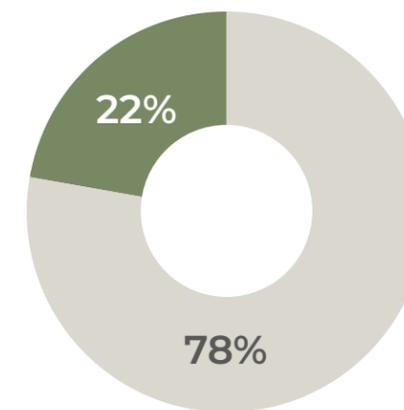
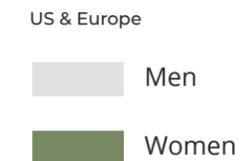


Inclusion is a key element to THOR's competitive edge. As part of our DEI journey, THOR's President and CEO, Bob Martin, has signed the CEO Action for Diversity and Inclusion, which is the largest CEO-driven business commitment to advance diversity and inclusion. We believe inclusivity inspires our creativity and openness while benefiting our performance. To learn more about THOR's Inclusion journey, please visit [www.thorindustries.com/sustainability](http://www.thorindustries.com/sustainability).

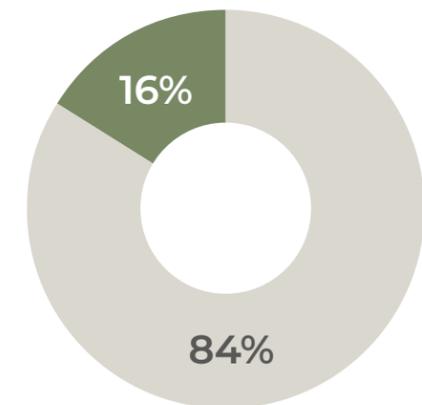
### RACE<sup>(1)</sup>



### GENDER



### WAGE CLASSIFICATIONS



(1) U.S. Statistics only based on EEOC race classifications.



Together Outdoors Coalition, founded through THOR Industries' partnership with the Outdoor Recreation Roundtable, celebrated one year of fostering diversity, equity, and inclusion in outdoor recreation.

Over the past year, more than 100 organizations joined Together Outdoors with an initial focus on educating coalition members on the history of exclusionary practices in the outdoors and the challenges that remain for members of under-represented groups who seek to enjoy America's outdoor spaces.

*“Enjoying and appreciating nature is important for health and mental well-being and should be a welcoming place for everyone. THOR is committed to helping advance outdoor equality and inclusion, so all feel welcome to Go Everywhere, Stay Anywhere,”* said Bob Martin, THOR Industries President and CEO.

## Our Culture

### Business Ethics

We remain committed to a high standard of business ethics within all areas of our operations. Our commitment is exhibited to our team members in providing an inclusive, supportive and respectful workplace. Furthermore, our team members are provided with the tools and educational materials to help them make ethical business decisions.

We require, consistent with our procedures, all THOR companies to include the Business Ethics Policy in their company handbooks, to communicate our business ethics obligations during orientation training and to reinforce awareness of the policy through annual training of certain team members.

THOR's procedures and Business Ethics Policy are maintained by our Corporate team, which reviews the policies for updates annually. THOR's Business Ethics Policy is imposed by our Board of Directors.

Additionally, we encourage and strongly support our team members to speak up whenever they see a potential violation to our policies. We have established means by which team members can confidentially communicate any observations of policy violations without fear of retaliation by the company or other team members. Our Whistleblower Hotline is an independent, anonymous hotline with legal protection that can be used as a resource for our team members or any other person (customers, suppliers, etc.) to ask a question, raise a concern or report questionable business practices.

All inquiries received through our Whistleblower Hotline are fully investigated and are not resolved until appropriate action is taken to address any concern found to have merit. Ethical, accounting, financial or sensitive matters reported to the THOR Whistleblower Hotline are monitored, tracked and reported to our leadership team and THOR's Audit Committee.

### Connecting and Developing Our Culture

Through THOR's commitment to develop and engage with our team members, we provide various avenues within our companies, which include, but are not limited to, town halls, leadership development coaching opportunities and team member engagement surveys.

### Assessing our Culture

THOR recognizes that people fuel our success, and we actively seek feedback through periodic surveys to help us assess and increase team member engagement. Through our survey tool, our companies have the capability to structure surveys to meet specific goals and objectives. The goal of our culture surveys is to identify areas needing improvement and use results to determine change in strategy, leadership needs and organizational changes.

## Community Engagement

We advance our sustainable model by engaging communities where our team members work and live, by putting an emphasis on investing both time and financial resources to enhance the lives of people while providing opportunities for them to thrive. Our community engagement initiatives are focused on the long-term well-being of society and encompass the Sustainable Development Goals. Annually, THOR identifies non-profit partners to support through direct giving, educational opportunities and volunteer events.

All of the organizations our family of companies partner with are doing good work in our hometowns, and we are proud to partner with the local affiliates of national charities. We are also proud to see our community engagement initiatives stretch globally with organizations the Erwin Hymer Group (EHG) has partnered with as well. From providing care for people to contributing directly to environmental protection, people and communities have been at the center of our focus.

### Erwin Hymer Group Pauses Production Plans to Aid Ukrainian Refugees

In March of 2022, THOR announced the temporary use of EHG's recently acquired facility in Poland for the Lubuskie branch of the Polish Red Cross to provide relief to those who have been affected by Russia's invasion of Ukraine. The facility, located in Nowa Sól, Poland, was utilized by the Polish Red Cross as a staging and distribution center for items of relief including food, clothing, cosmetic products, baby food and medical supplies.



THOR is proud to be named to Newsweek's list of America's Most Trusted Companies 2022. America's Most Trusted Companies 2022 were identified in an independent survey and the top 400 Most Trusted Companies across 22 Industries were chosen based on three critical touchpoints: Customer Trust, Investor Trust and Employee Trust. THOR ranked #3 in the automotive and components category and was the only manufacturer in the RV space to be included.



## Community Engagement



**120+**  
Organizations supported through the THOR family of companies.



America's National Forest and Grasslands cover 8% of the surface area in the United States and are home to virtually every form of outdoor recreation. In 2019, we established a multi-year partnership with the National Forest Foundation (NFF), the only nonprofit dedicated to preserving national forests and grasslands. As one of NFF's most significant corporate sponsors, THOR provides unrestricted funds in support of NFF's mission to long-term vitality, sustainability and preservation of over 193 million acres of land. Incremental to the established partnership, we committed to funding the replanting of 500,000 trees.



THOR's national sustainability program encourages people to keep public lands clean by pledging to remove trash from outdoor spaces. Over 259 tons of trash have been pledged to be removed from public lands since the program launched in 2019, including public lands in the communities where we live, work and play.



THOR's continued commitment to promoting inclusivity in the outdoors is demonstrated in our partnership with Girl Scouts of the USA (GSUSA). In our multi-year partnership, THOR sponsors GSUSA's largest and most popular outdoor event, Girl Scouts Love State Parks. This annual event is hosted in nearly 500 state parks across all 50 states and Puerto Rico. Girl Scouts will also, once again, incorporate THOR's sustainability program, Pick Up America, into its park stewardship efforts. Since the founding of the partnership, Girl Scouts have pledged to remove more than 44 tons of trash from public lands.



## THOR's LEAP Program

In 2017, we began partnering with local schools in Indiana to introduce students to different opportunities within the recreational vehicle industry through a program called LEAP.

LEAP is an interactive and innovative program designed to increase the awareness of the RV Industry and provide career pathways for students. The program consists of problem-solving and team bonding activities through the 5th and 8th grade school levels. Local students participate in RV tours, THOR Activity Books, THOR RV Lego builds and THOR RV Design programs.

This past year, THOR's LEAP program visited 61 schools, reaching 5,470 students across the various communities in which we live and work.



## Supplier Engagement

In order to lead the RV industry to a more sustainable future, we need the support and engagement of all industry participants. At THOR, we continue to focus our efforts on creating innovative and sustainable products, increasing awareness around social issues and reducing our environmental impact. We also realize that as the global leader in the RV industry, it is our responsibility to work with our suppliers to increase their awareness of, and enhance their activities around, sustainability issues.

At THOR, we care about creating a sustainable, socially responsible and ethically managed supply chain, and we have taken certain steps to help our suppliers in this journey. We have a number of supply chain policies that address various topics including, but not limited to, ethical standards, conflict minerals and modern slavery, all of which can be found on our website

[www.thorindustries.com/supply-management](http://www.thorindustries.com/supply-management).

We expect our supply chain partners to source their products in a responsible, ethical and sustainable manner. Additionally, to increase awareness around sustainability issues and to gauge supplier activity on various sustainability topics, we launched a first-ever Supplier Self-Assessment Questionnaire in 2020. This survey was sent to our top suppliers with the goal of enabling open dialogue and encouraging discussions moving forward to better understand environmental, social and governance risks within our value chain.

Our baseline questionnaire consisted of four categories:

- a. **Company Governance:** Focusing on general company information regarding all sections of Environmental, Social and Governance (ESG)
- b. **Environmental Sustainability:** Identifying if, and what types of, emissions have been identified and whether or not there are policies in place to reduce emissions
- c. **Social Sustainability:** Establishing an understanding of guidelines and policies in place to address social issues

- d. **Supply Management:** Understanding whether or not policies have been put in place regarding their own supply sources

Through this self-assessment process, we have been answering questions pertaining to, and strategizing with our supply base on, various sustainability topics. Participation from our suppliers was extremely positive, and survey results indicated strong efforts in governance, social sustainability, environmental sustainability and supply management, in that respective order. We have conducted face-to-face meetings with our suppliers, as needed, to provide training and awareness in various sustainability issues.

In August 2022, we launched a second supplier self-assessment survey to gauge improvement around the categories listed in the baseline questionnaire and to understand the actions taken by our suppliers to improve their sustainability efforts over the past two years. We are in the process of analyzing these responses, and we will provide the results of the survey in the future. In the meantime, we will continue our ongoing discussions with our suppliers to encourage their participation in the RV industry's journey of creating a more sustainable future for our generation and the generations to come.

New Supplier Self-Assessment survey will help us better understand environmental, social and governance risk within our value chain.

**ENVIRONMENTAL**



# ENVIRONMENTAL PRIORITIES

13 CLIMATE ACTION



We are invested in leading the industry in the fight against environmental threats to the outdoor and RV lifestyles, and in support of these efforts, our environmental priorities focus on 1) Climate Action and 2) Clean Water and Sanitation.

We became a signatory to Business Ambition for 1.5°C, committing to being carbon net-neutral in or before 2050, with an interim target of a 50% reduction in Scope 1 and Scope 2 emissions in or before 2030. We announced in Fiscal Year 2020 the aggressive target of a 50% reduction in solid waste to landfill in or by 2030, and we support the water stewardship principles of the UN Global Compact CEO Water Mandate and the six commitment areas of: 1) Direct Operations, 2) Supply Chain and Watershed Management, 3) Collective Action, 4) Public Policy, 5) Community Engagement and 6) Transparency.

Our strategy to achieve these targets includes the following priorities:

- Reducing energy intensity in our manufacturing facilities by continued investments in energy efficiency,
- Reducing reliance on fossil fuel through self-generation of renewable electricity and conversion of mobile material handling fleet to battery electric power,
- Expanding our purchase of clean energy from renewable sources, and
- Working within our facilities to reduce waste and track fresh water usage associated with the manufacture of our products.

Since we began our sustainability journey in 2019, we have made great strides towards our Environmental goals. First of all, our European division, the Erwin Hymer Group (EHG), became the first-ever RV manufacturer to achieve net-neutral RV manufacturing, an industry first, during our Fiscal Year 2021. In Fiscal Year 2022, we consumed 41,726 MWh as clean electricity at our production sites in Europe and purchased 9,500 metric tons CO<sub>2e</sub> in carbon certificates from myclimate and KlimAktiv. EHG continues to build on this environmental leadership with their expansion of renewable energies, in energy-efficient systems and in energy generation from the sun and biomass. Planned expansion of biomass plants in Fiscal Year 2023 is projected to save approximately 3,000 tons of fossil CO<sub>2</sub> per year.

We significantly increased our operational solar capacity in Fiscal Year 2022, resulting from an earlier \$8 million+ investment in solar electric power self-generation. We generated 3,266 MWh of clean energy during the fiscal year, enabling support of our local communities while eliminating 2,337 MT of CO<sub>2e</sub> (the equivalent of approximately 500 gasoline-powered passenger vehicles driven for one year.<sup>(1)</sup>)

We also made strides in reducing our Scope 1 and Scope 2 emissions during the fiscal year. First, we reduced our Scope 1 emissions by investing in more energy efficient material handling equipment. During Fiscal Year 2022, our North American companies invested more than \$900,000 in battery electric forklifts yielding an estimated 915 MT CO<sub>2e</sub><sup>(2)</sup>. We also implemented a strategy, for our North

<sup>(1)</sup> Emissions reduction converted per the United States Environmental Protection Agency's Greenhouse Gas Equivalencies Calculator.

<sup>(2)</sup> Based on annual consumption of 10,500 gallons of LP per unit.

American operations, to convert the entire material handling fleet to battery electric by 2029. While EHG had previously transitioned the majority of their combustion engine material handling equipment to battery electric, they continued to transition their remaining combustion engine material handling equipment during the fiscal year and will transition to an all battery electric material handling fleet in the future. To reduce our Scope 2 emissions, we invested more than \$1.7 million in LED lighting projects, reducing our electricity consumption by an estimated 14,060 MWh, translating to a reduction of more than 5,000 MT CO<sub>2e</sub> annually.

Our ongoing partnership with the National Forest Foundation (NFF) has resulted in more than 250,000 tree plantings in critical forest ecosystems, including national forests in Ocala, Florida, Huron-Manistee, Michigan and Chippewa, Minnesota. Our continued support of the NFF is driven by our long-standing commitments to supporting the improvement of critical national forest habitats. While we do not consider these tree plantings as part of our net-neutral commitment, it is important to highlight the carbon sequestering benefits of an estimated 2,500 MT of CO<sub>2e</sub><sup>(3)</sup> annually as a result of THOR's financial commitment.

We continue to support the CDP's mission to see a thriving economy that works for people and planet in the long term, and we support disclosure as a driver of environmental action. Demonstrating this support, we submitted our second annual submission of the CDP's Carbon & Climate Questionnaire in July 2022.

As part of our commitment to Business Ambition for 1.5° C, we are performing an assessment of Scope 3 emissions from our upstream and downstream value chains across the 15 GHG Protocol categories. We intend to complete the assessment during Fiscal Year 2023 to validate the extent of Scope 3 emissions and to guide the further development of our GHG reduction strategies.

In support of our priorities, our sustainability team is continuously educating our operating company leaders about GHG emissions and what our companies can do to reduce our environmental impact and support THOR's overall targets. Our Environmental Policy supports our commitment to reducing waste, minimizing environmental impact and promoting conservation. The goal of the policy is to boost sustainability and environmental awareness at all levels of our business, as well as among our suppliers, customers and other stakeholders.

Our Environmental Management System (EMS) provides for processes and practices to guide the THOR family of companies in reducing their environmental impacts while increasing operating efficiencies.

THOR's Environmental Policy and EMS document can be found at [www.thorindustries.com/sustainability-environmental](http://www.thorindustries.com/sustainability-environmental).

## Global Emissions

In Fiscal Year 2022, our Global Absolute Emissions were 97,146 MT CO<sub>2e</sub> and Global Normalized Emissions were 0.63 MT CO<sub>2e</sub> per \$100,000 of revenue. The Fiscal Year 2022 emissions equated to a 22% absolute reduction and a 50% normalized reduction over the Fiscal Year 2019 baseline, as described below, and is recalculated based on recent acquisitions.

Global emission reductions were driven in large part by the success of the Erwin Hymer Group (EHG). By aggressively pursuing a strategy of "avoid – reduce – compensate", EHG has avoided adding additional emissions to their RV manufacturing operations, reduced emissions generated in necessary processes and compensated for the unavoidable emissions through purchases of carbon offsets. Due to these efforts, in Fiscal Year 2022, EHG's absolute market based emissions for RV manufacturing were zero MT CO<sub>2e</sub>.

In Fiscal Year 2022, North America's total absolute emissions were 97,146 MT CO<sub>2</sub> and normalized emissions were 0.77 MT CO<sub>2e</sub> per \$100,000 of revenue. North American Fiscal Year 2022 emissions equate to a 4% absolute reduction and a 45% normalized reduction.

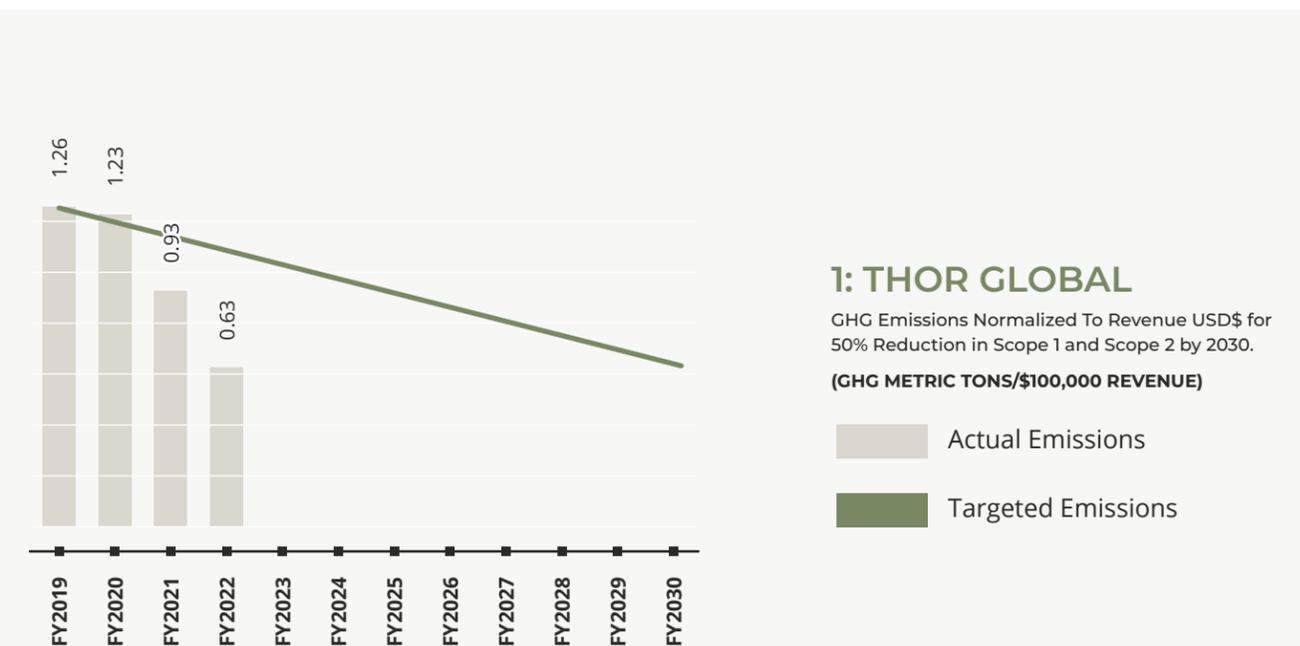
## Methodology

Emissions data is calculated using energy consumption as measured by energy providers. GHG emissions are calculated using the EPA Simplified GHG Calculator (SGEC), which summarizes output in CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, collectively reported as CO<sub>2</sub> equivalents (CO<sub>2e</sub>). For the purposes of this report, we are using greenhouse gas, CO<sub>2e</sub> and carbon emissions interchangeably. Scope 2 emissions are reported using energy numbers calculated using data supplied by electricity providers. This data is characterized as absolute or gross emissions and normalized as a factor of USD revenue.

Our baseline data is adjusted as we acquire new operating companies. During the year of acquisition, we work with the new company to understand their Scope 1 and Scope 2 emissions and start collecting data. Using the GHG Protocol, we analyze the emissions data for the full fiscal year and adjust our baseline accordingly. During Fiscal Year 2022, we adjusted our Fiscal Year 2019 baseline emissions data, as well as Fiscal Years 2020 and 2021, as a result of our acquisition of Tiffin Motor Homes, Inc. and certain of its affiliated companies ("Tiffin"), during Fiscal Year 2021.

## GHG Emissions Normalized to Revenue for 50% Reduction by 2030

**Chart 1** summarizes our global emissions normalized for \$100,000 in revenue. In Fiscal Year 2022, our normalized Scope 1 and Scope 2 emissions were 0.63 metric tons per \$100,000 in revenue, a 50% reduction in our 2019 baseline emissions.

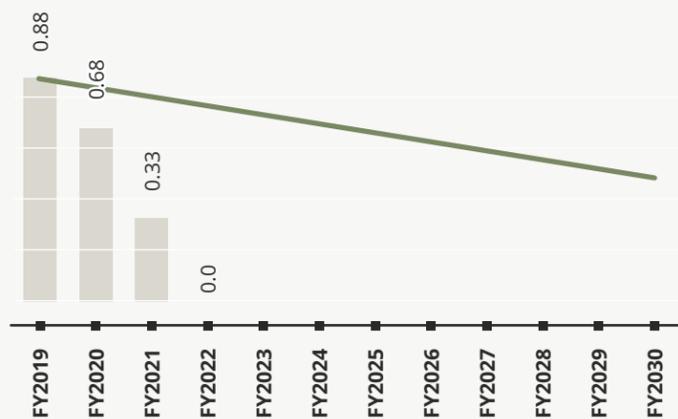


**1: THOR GLOBAL**  
GHG Emissions Normalized To Revenue USD\$ for 50% Reduction in Scope 1 and Scope 2 by 2030.  
(GHG METRIC TONS/\$100,000 REVENUE)

Actual Emissions  
Targeted Emissions

(3) Applying the generally accepted standard of 10 kilograms of carbon annually per tree for the first 20 years of growth.

As illustrated in **Chart 2**, our European RV manufacturing operations already reached their 2050 reduction goal. EHG further reduced GHG emissions in 2022 by 0.33 metric tons as normalized to revenue, an improvement of 0.33 metric tons as compared to Fiscal Year 2021. To address remaining GHG emissions, the EHG partnered with external organizations to retire Gold Standard Voluntary Emissions Reduction (VER) Credits.



### 2: EUROPEAN REGION

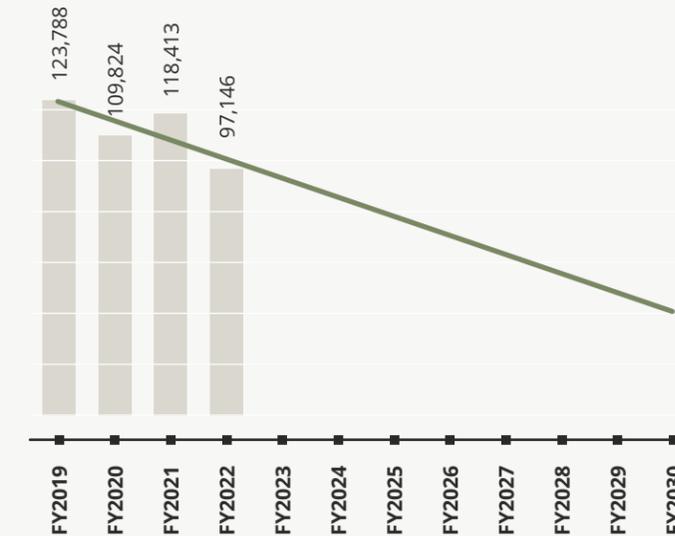
GHG Emissions Normalized to Revenue USD\$ for 50% Reduction in Scope 1 and Scope 2 by 2030.

(GHG METRIC TONS/\$100,000 REVENUE)

Actual Emissions  
Targeted Emissions

### Absolute GHG Emissions for 50% Reduction by 2030

**Chart 4** summarizes adjusted THOR global absolute emissions for Fiscal Year 2022 as compared to Fiscal Years 2020 and 2021 and baseline Fiscal Year 2019 for the target of 50% reduction in Scope 1 and Scope 2 emissions by or before 2030. These values have been modified to reflect the impact of our acquisition of Tiffin. THOR's combined target for absolute Scope 1 and Scope 2 global emissions for Fiscal Year 2022 is 106,908 metric tons. GHG emissions measured 97,146 metric tons, translating to 9,762 metric tons better than target.



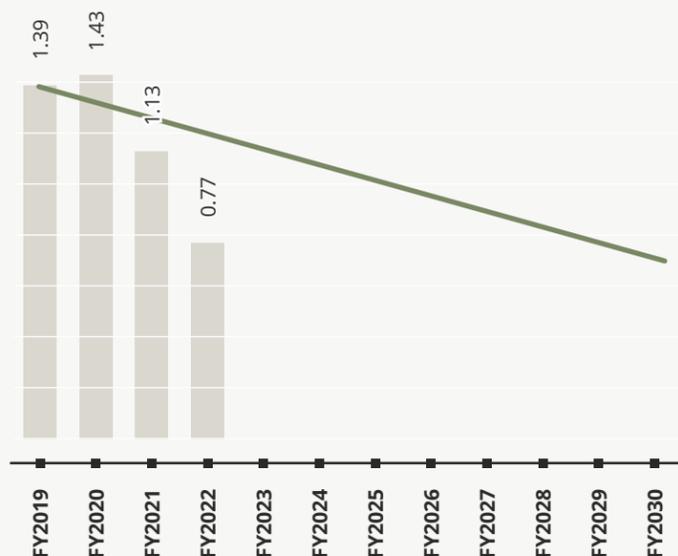
### 4: THOR GLOBAL

Absolute GHG Emissions for 50% Reduction in Scope 1 and Scope 2 by 2030.

(METRIC TONS)

Actual Emissions  
Targeted Emissions

**Chart 3** illustrates GHG emissions normalized for revenue for the North American region. GHG emissions target for Fiscal Year 2022 was 1.20 metric tons per \$100,000 USD\$ of revenue. Normalized GHG emissions measured 0.77 metric tons, demonstrating performance of 0.43 metric tons better than target.



### 3: NORTH AMERICAN REGION

GHG Emissions Normalized to Revenue USD\$ for 50% Reduction in Scope 1 and Scope 2 by 2030.

(GHG METRIC TONS/\$100,000 REVENUE)

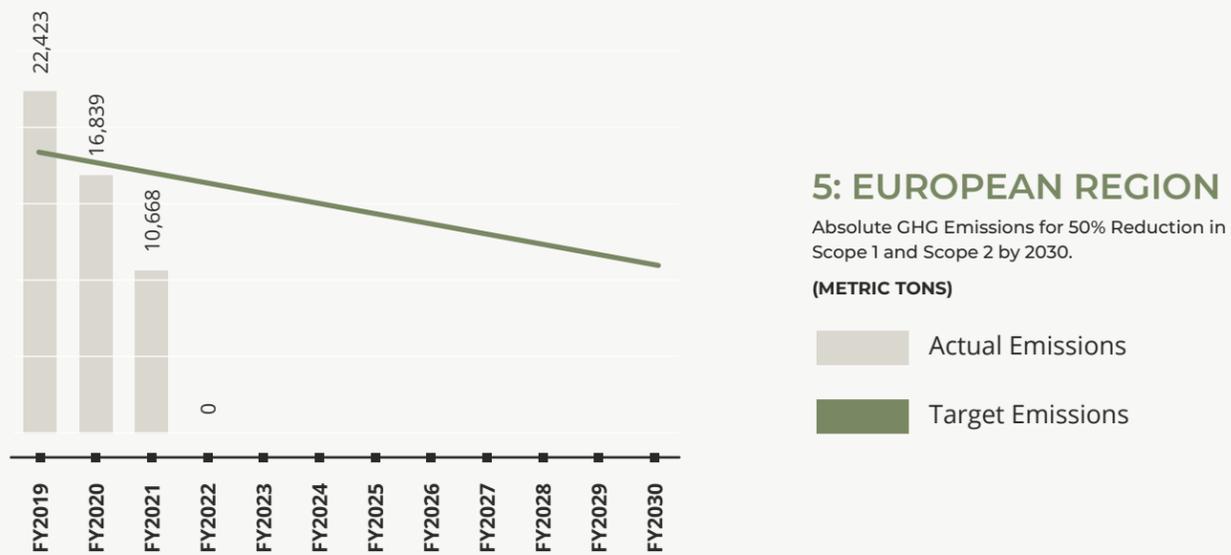
Actual Emissions  
Targeted Emissions

**As one of the leading manufacturers of leisure vehicles in Europe, the Erwin Hymer Group sees itself as a pioneer for a more sustainable and better future of caravanning. Sustainability is therefore a strategic focus of the group and its 21 brands.**

During Fiscal Years 2019 to 2021, the European subsidiary of THOR Industries has already more than halved its CO<sub>2</sub> emissions. Since 2021, the Erwin Hymer Group of companies have been producing CO<sub>2</sub> neutrally at all production sites. In a next step, the Erwin Hymer Group is now investing in the expansion of renewable energies, in energy-efficient systems and in energy generation from the sun and biomass. The total volume of investments in Fiscal Years 2022 and 2023 amounts to over 6 million Euros. For example, the commissioning of further biomass plants for a total heat requirement of 15,000 MWh/a is planned for 2023. This corresponds to a saving of approx. 3,000 t of fossil CO<sub>2</sub> per year. PV systems with a total output of 9 MWp will be installed at several production sites in spring 2023. To further reduce energy consumption, the switch to efficient LED lighting will be accelerated at all production sites.

Jan Francke, COO of the Erwin Hymer Group: **"We have a clear plan to get to 20 percent of the CO<sub>2</sub> level of 2019 by 2030."**

THOR Europe continues to achieve outstanding performance in GHG emissions reduction in its RV manufacturing facilities, as illustrated in **Chart 5**. To address the remaining GHG emissions, the Erwin Hymer Group again partnered with accredited organizations to retire Gold Standard Voluntary Emission Reduction Credits.



### 5: EUROPEAN REGION

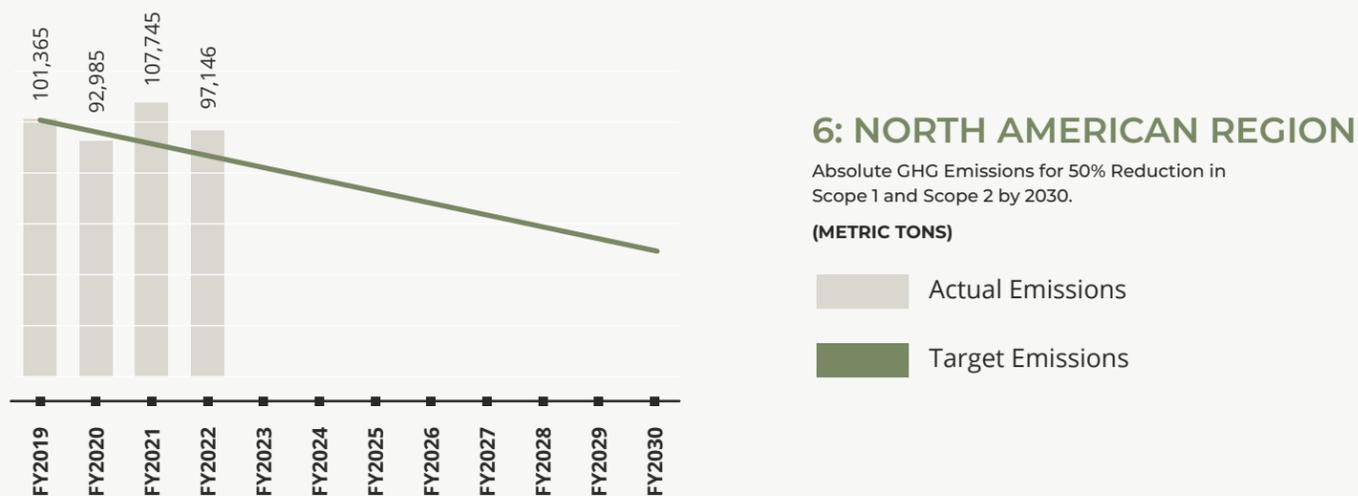
Absolute GHG Emissions for 50% Reduction in Scope 1 and Scope 2 by 2030.

(METRIC TONS)

Actual Emissions  
Target Emissions

Our North American operations continue the strategies of investing to reduce energy intensity, increase renewable energy self-generation and conversion to battery electric mobile equipment. However, this region continues to lag behind our European counterparts in the context of GHG emissions reductions primarily as a result of the greater availability of renewable energy sources within Europe. In an effort to accelerate the closure of this gap in sourcing renewable energy in the US, we continue to proactively engage with our electricity providers to promote increased investment in renewables.

As illustrated in **Chart 6**, Absolute GHG Scope 1 and Scope 2 emissions for THOR North American in Fiscal Year 2022 totaled 97,146 metric tons. The target for the same period was 87,542 metric tons, translating to 9,604 metric tons above target for Fiscal Year 2022.



### 6: NORTH AMERICAN REGION

Absolute GHG Emissions for 50% Reduction in Scope 1 and Scope 2 by 2030.

(METRIC TONS)

Actual Emissions  
Target Emissions

## The Erwin Hymer Group (EHG) is leading the way in reducing CO<sub>2</sub> emissions and conserving natural resources. Their guiding principle is: Avoid - Reduce - Compensate

EHG has made great progress on the path to a CO<sub>2</sub> -free future:

- Between Fiscal Years 2018 and 2020, EHG not only met but exceeded their initial carbon reduction goal of 50% CO<sub>2</sub> emissions at their EHG production sites.
- In Fiscal Year 2022, EHG received the declaration of net-neutral manufacturing in its RV manufacturing facilities.



By using wood waste for fuel in our biomass plants, EHG reduced greenhouse gas emissions for heating production buildings by about 30 percent annually.



### Wood Chip Plant

### Heat Recovery



The generation of compressed air creates heat as a byproduct, which is largely lost as waste. Through heat recovery, EHG can harness and utilize this energy at our sites for heating.



Using a treatment system to ensure that they can reuse water again and again in a closed-loop system. This means that no more precious drinking water is wasted.



### Water Treatment

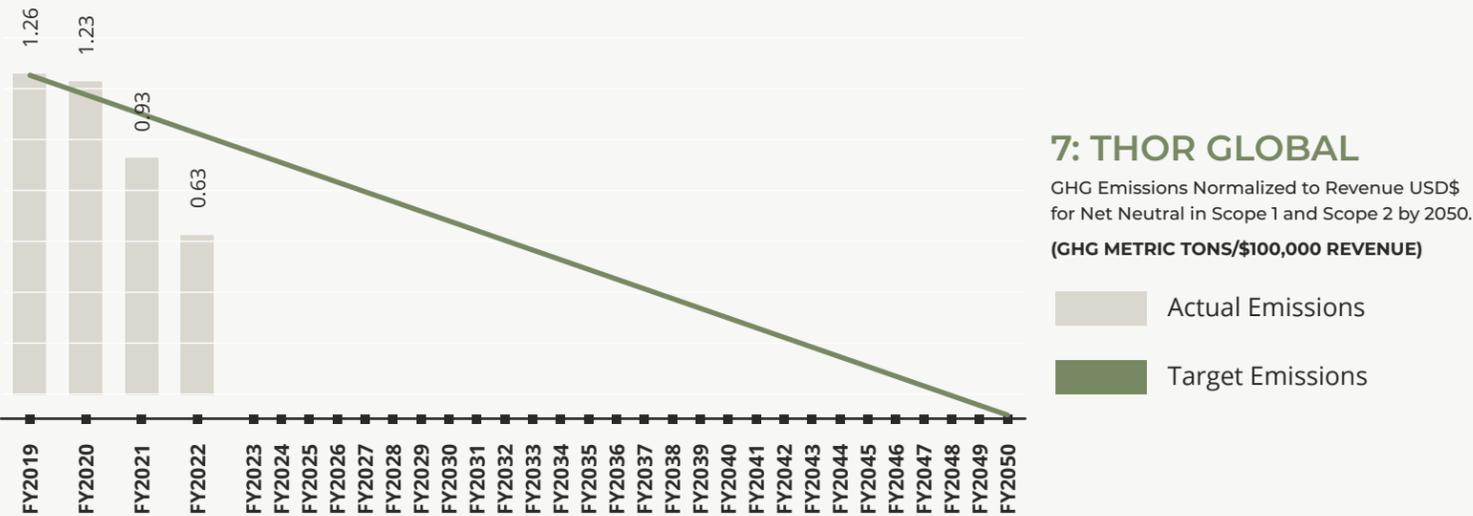
### Electricity from Renewable Energies



By switching to green electricity, EHG has already been able to reduce 60 percent of CO<sub>2</sub> emissions. By installing rooftop solar plants, EHG will further expand our use of electricity.

## GHG Emissions Normalized to Revenue for Net Neutral by 2050

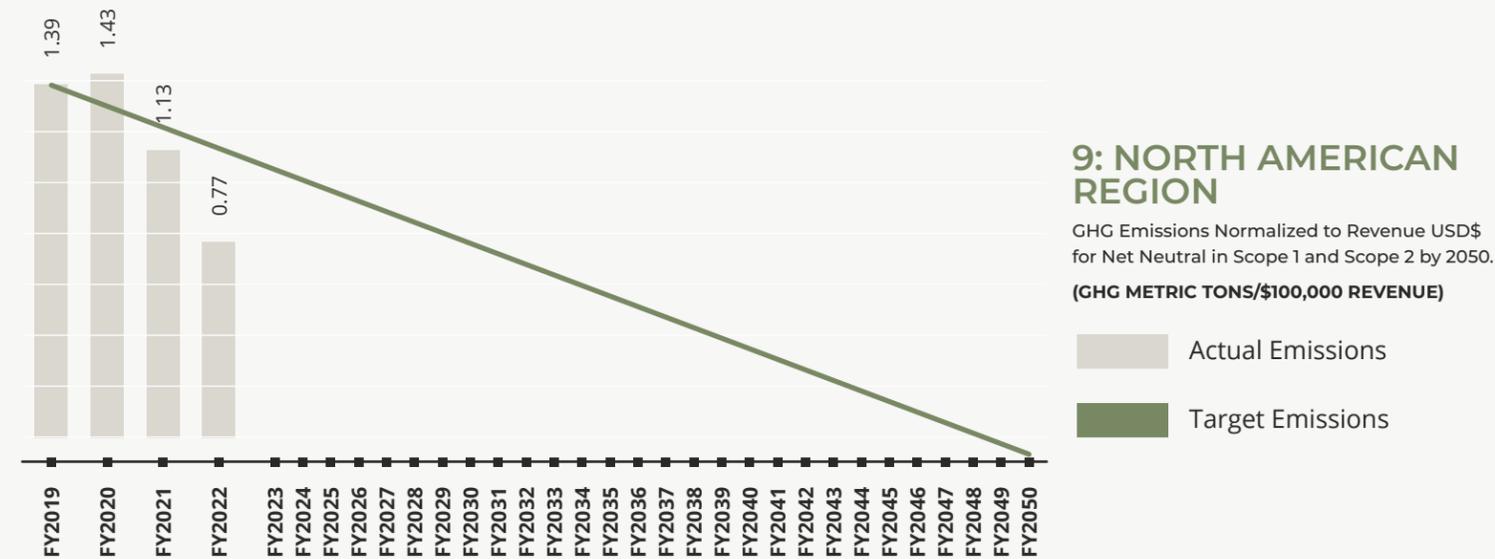
**Chart 7** summarizes as adjusted THOR global emissions normalized for \$100,000 in revenue for Fiscal Year 2022 as compared to Fiscal Years 2020 and 2021, and baseline Fiscal Year 2019 for the target of net neutral manufacturing by 2050 for Scope 1 and Scope 2 emissions. As previously stated, these values have been adjusted to reflect the integration of our acquisition of Tiffin. THOR's combined target for normalized Scope 1 and Scope 2 emissions for fiscal year 2022 is 1.14 metric tons for every \$100,000 in revenue. Actual GHG normalized emissions for the period measured 0.63 metric tons, 0.51 metric tons better than target.



**7: THOR GLOBAL**  
GHG Emissions Normalized to Revenue USD\$ for Net Neutral in Scope 1 and Scope 2 by 2050. (GHG METRIC TONS/\$100,000 REVENUE)

Actual Emissions  
Target Emissions

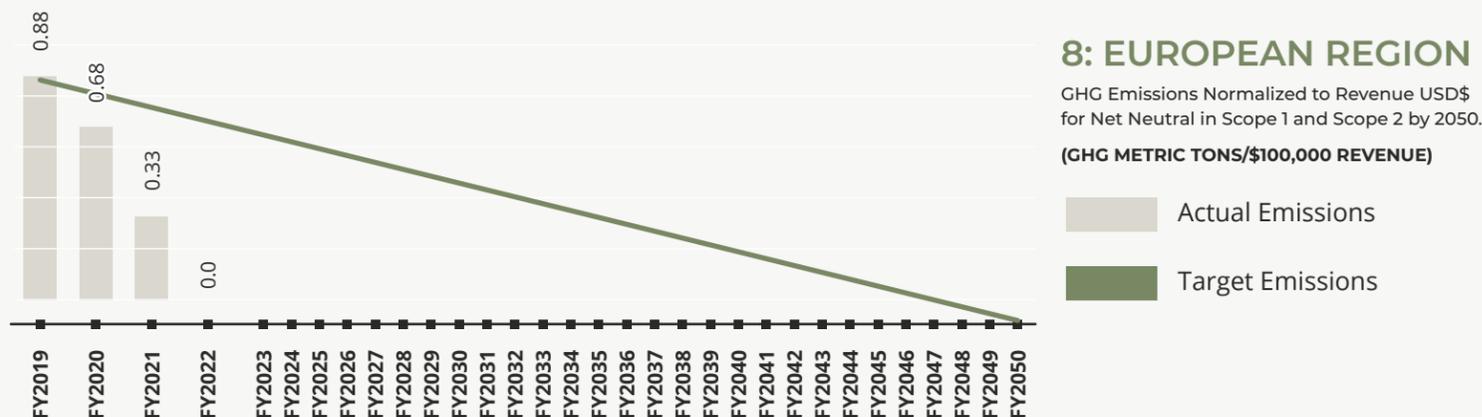
We are excited to report that our North American region also delivered performance better than target for GHG emissions normalized to revenue. The combined target for Scope 1 and Scope 2 emissions was 1.25 metric tons per \$100,000 in revenue, while actual emissions totaled 0.77 metric tons for the period, or 0.48 metric tons ahead of target. Reference **Chart 9**.



**9: NORTH AMERICAN REGION**  
GHG Emissions Normalized to Revenue USD\$ for Net Neutral in Scope 1 and Scope 2 by 2050. (GHG METRIC TONS/\$100,000 REVENUE)

Actual Emissions  
Target Emissions

**Chart 8** illustrates GHG emissions normalized to revenue for THOR's European region. The combined target for Scope 1 and Scope 2 emissions for this region was 0.79 metric tons per \$100,000 of revenue, while actual performance was zero metric tons emissions. As previously mentioned, this outstanding performance in emissions reduction in their RV manufacturing facilities is attributed to the execution of investment strategies to convert natural gas facility and general-purpose water heating to biofuels from natural gas, prior conversion of the majority of mobile material handling equipment to battery electric, continued conversion of purchased electricity to renewables and the retiring of residual emissions through Gold Standard Voluntary Emissions Reduction (VER) Credits.

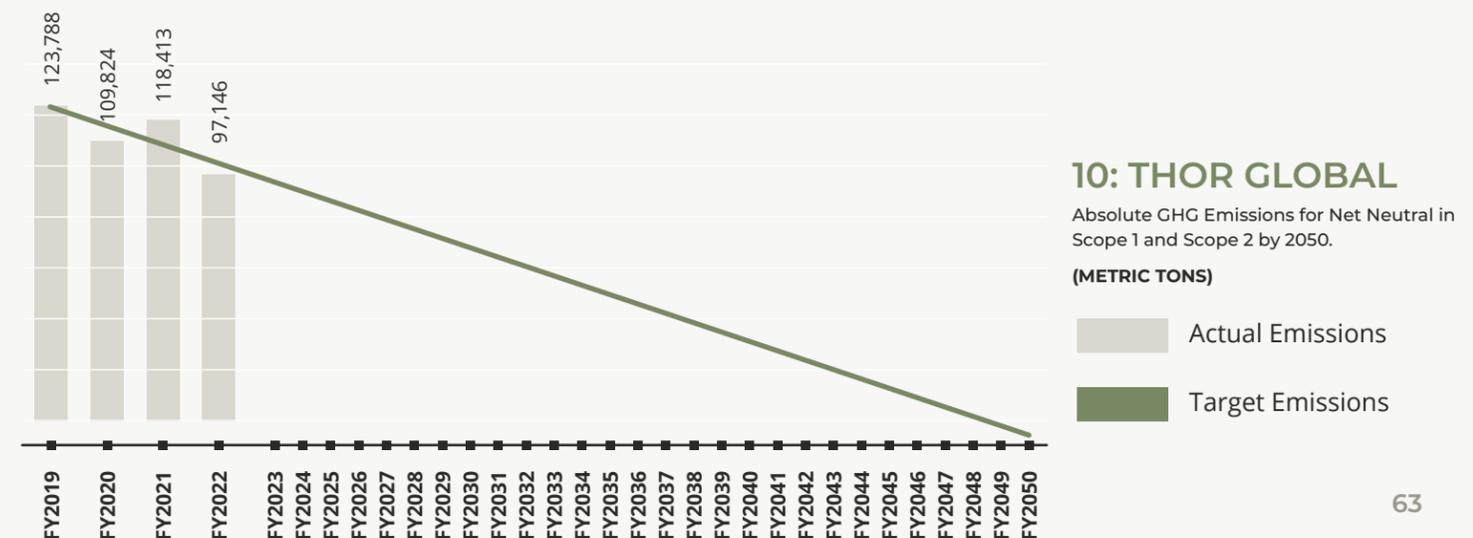


**8: EUROPEAN REGION**  
GHG Emissions Normalized to Revenue USD\$ for Net Neutral in Scope 1 and Scope 2 by 2050. (GHG METRIC TONS/\$100,000 REVENUE)

Actual Emissions  
Target Emissions

## Absolute GHG Emissions for Net Neutral by 2050

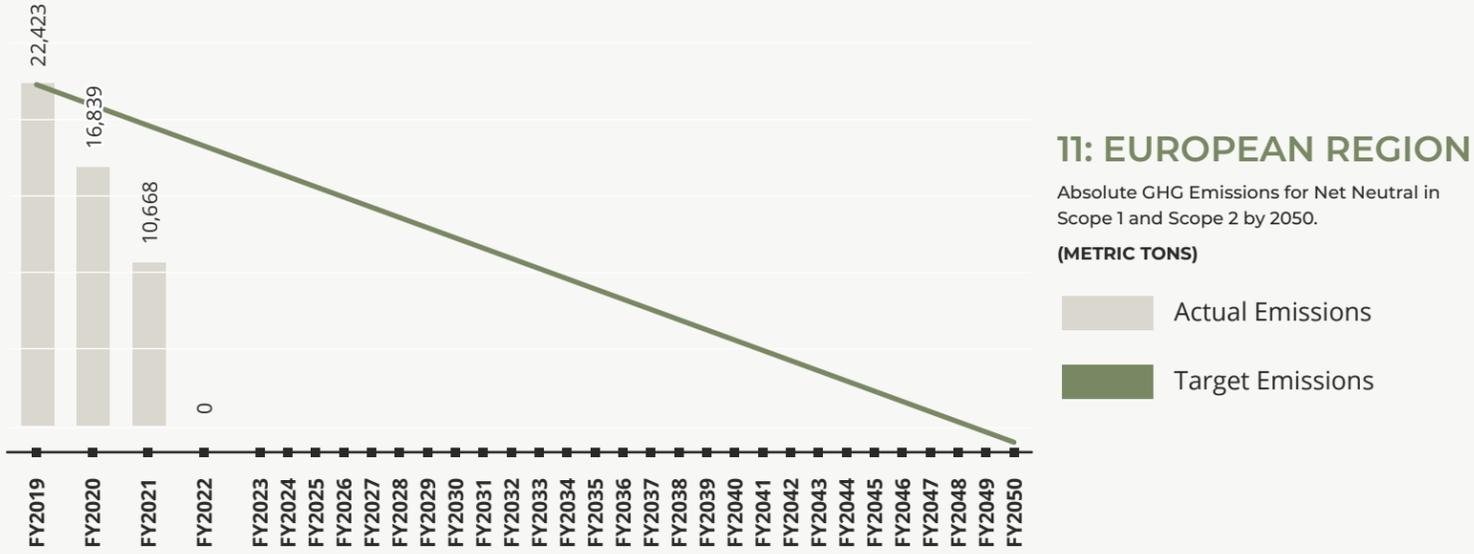
**Chart 10** summarizes absolute emissions for Fiscal Year 2022 as compared to Fiscal Years 2021 and 2020, and to the baseline period Fiscal Year 2019 (as adjusted). The target for the period was 111,808 metric tons. Actual GHG emissions measured 97,146, translating to 14,662 metric tons better than target.



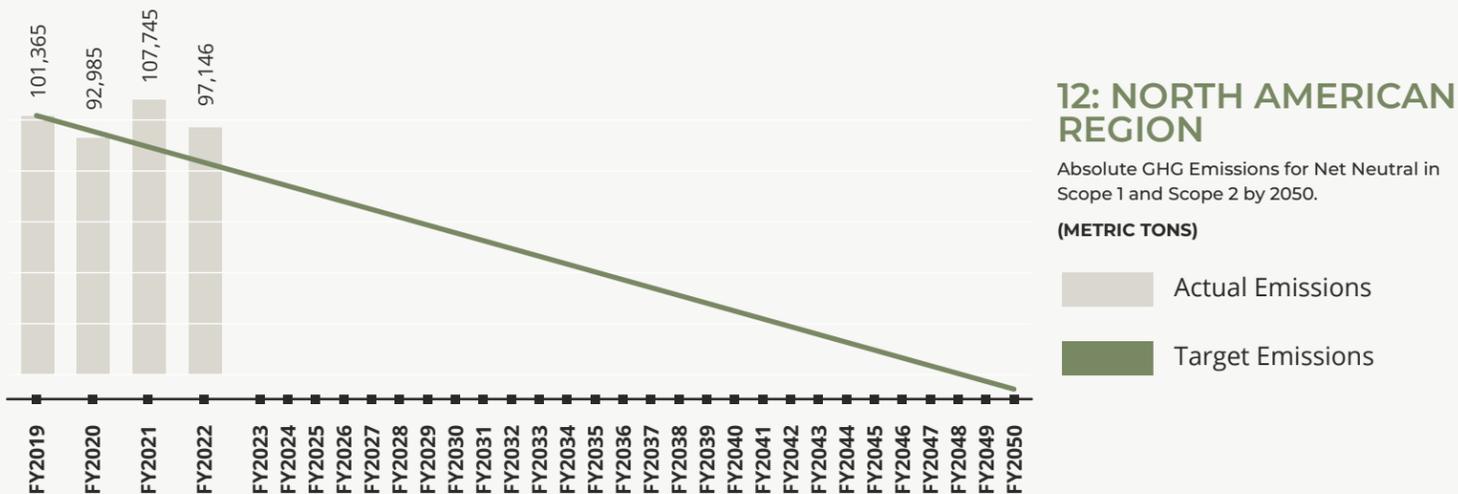
**10: THOR GLOBAL**  
Absolute GHG Emissions for Net Neutral in Scope 1 and Scope 2 by 2050. (METRIC TONS)

Actual Emissions  
Target Emissions

Our European region continues to show outstanding performance in achieving GHG emissions reduction targets. The GHG emissions target for Scope 1 and Scope 2 for fiscal 2022 was 20,253 metric tons. However, for the reasons previously highlighted, the European region delivered results of zero GHG emissions in their RV manufacturing facilities. Reference **Chart 11**.



The performance trend for North America for the goal of net neutral by 2050 is consistent with the 50% reduction by 2030 data. As shown in **Chart 12**, the target for the period was 91,555 metric tons. Actual GHG emissions measured 97,146, or 5,591 metric tons above target. However, while not achieving the target, actual GHG emissions for the Fiscal Year 2022 were 10,599 metric tons improvement versus Fiscal Year 2021. This improvement demonstrates the strategies of investment in self-generated renewable solar energy, battery electric material handling equipment and renewable energy credits are having a positive impact.

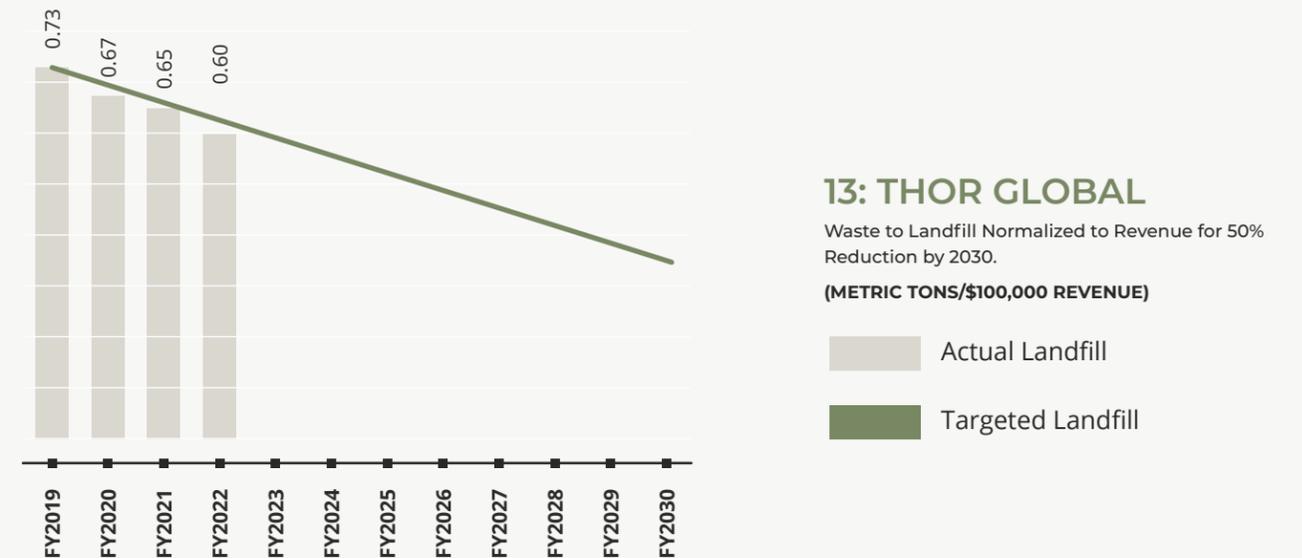


## Waste and Recycling

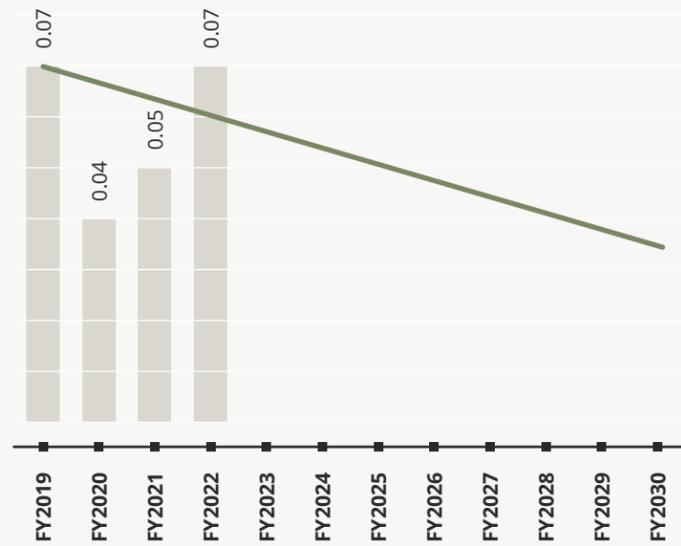
We announced in Fiscal Year 2020 the aggressive target of 50% reduction in solid waste to landfill in or by 2030. Achieving this goal requires close collaboration with our value stream partners. We have made substantial progress in many areas, but tough work remains to achieve the goal. The following data has been adjusted to reflect the impact of our strategic acquisition of Tiffin.

## Waste to Landfill Normalized to Revenue for 50% Reduction by 2030

**Chart 13** illustrates as adjusted THOR global solid waste to landfill normalized per \$100,000 in revenue for Fiscal Year 2022 as compared to Fiscal Years 2020 and 2021 and baseline Fiscal Year 2019 for the target of 50% reduction in waste to landfill by 2030. Our target was 0.63 metric tons per \$100,000 of revenue. Actual normalized disposal to landfill measured 0.60 metric tons, 0.03 metric tons as normalized for revenue better than target.



**Chart 14** illustrates the same for the European region. The target for Fiscal Year 2022 was 0.06 metric tons as normalized per \$100,000 in revenue. However, actual measured values were 0.07 metric tons, or 0.01 metric tons above target.



### 14: EUROPEAN REGION

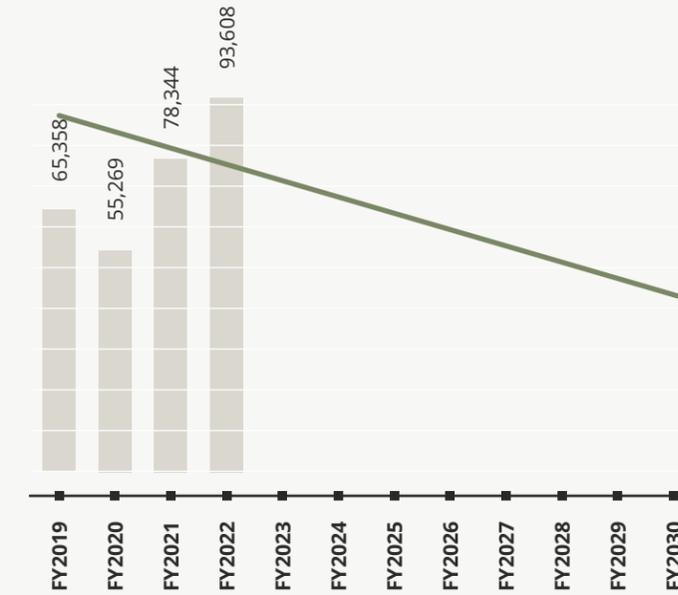
Waste to Landfill Normalized to Revenue for 50% Reduction by 2030.

(METRIC TONS/\$100,000 REVENUE)

- Actual Landfill
- Targeted Landfill

### Absolute Waste to Landfill for 50% Reduction by 2030

Reducing absolute tonnage of waste to landfill is challenging. **Chart 16** summarizes our global absolute solid waste to landfill for Fiscal Year 2022 as compared to Fiscal Years 2020 and 2021 and the baseline of Fiscal Year 2019 for the target of 50% reduction in waste to landfill by 2030 (as adjusted for the Tiffin acquisition). Our global target for Fiscal Year 2022 was an absolute total of 56,445 metric tons. Actual results for the period measured 93,608 metric tons – this represents 37,163 metric tons above target.



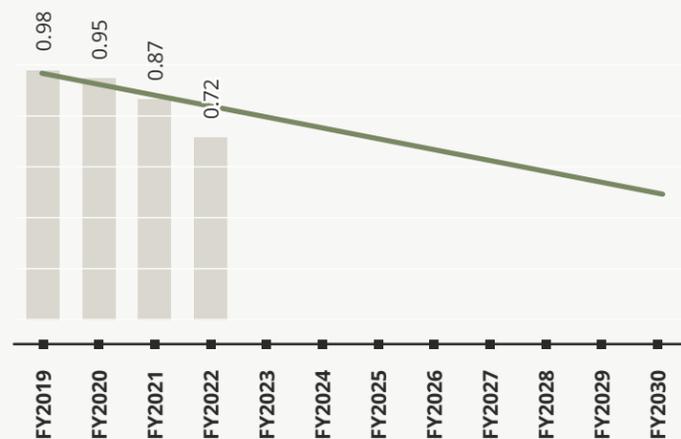
### 16: THOR GLOBAL

Absolute Waste to Landfill for 50% Reduction by 2030.

(METRIC TONS/\$100,000 REVENUE)

- Actual Landfill
- Targeted Landfill

The North American region delivered results of 0.72 metric tons normalized per \$100,000 in revenue. This results in performance 0.13 metric tons better than the normalized for revenue target of 0.85 metric tons, as illustrated in **Chart 15**.



### 15: NORTH AMERICAN REGION

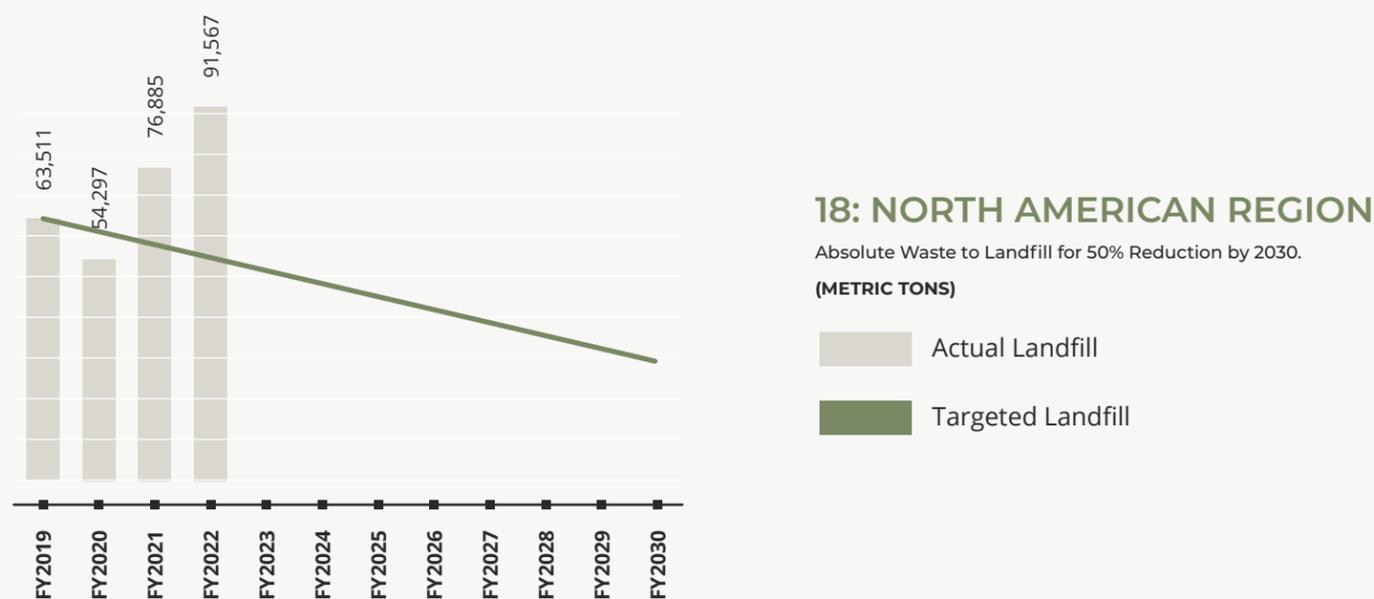
Waste to Landfill Normalized to Revenue for 50% Reduction by 2030.

(METRIC TONS/\$100,000 REVENUE)

- Actual Landfill
- Targeted Landfill



There is a clear distinction between our European and North American regions in the context of ease of landfill disposal and predominance of recycling. Our European region target for Fiscal Year 2022 for absolute waste to landfill was 1,595 metric tons. Actual performance for the period was 2,041 metric tons, missing the target by 446 metric tons. By comparison, our North American region target for the same period for absolute waste to landfill was 54,850 metric tons. Actual performance for our North American region was 91,567 metric tons, missing the target by 36,717 metric tons. Refer to **Charts 17 and 18**.



## Water Resources

Since we do not use processed water in the manufacture of our RV products and components, our water usage can be described in the following categories: 1) general sanitation, 2) tank leak testing and 3) RV finished goods leak testing. Tank and finished goods RV testing water is currently recycled. However, at this time, we do not have details concerning quantity and frequency of recycling. We will endeavor to better define current water usage and identify opportunities for continuous improvement to reduce fresh water consumption going forward.

We support the water stewardship principles of the UN Global Compact CEO Water Mandate and the Six Commitment areas of:

1. Direct Operations
2. Supply Chain and Watershed Management
3. Collective Action
4. Public Policy
5. Community Engagement
6. Transparency

## 19: FRESH WATER CONSUMPTION BY REGION

Fiscal Year	North America	Europe	Total	Units
FY 2022	72,855,426	23,107,966	95,963,393	Gallons
FY2021	72,190,058	22,126,324	94,316,383	Gallons
FY2020	53,737,383	Not Applicable	53,737,383	Gallons

A man with short brown hair, wearing a green hoodie and a dark grey vest, is crouching on a grassy field. He is looking down at a dog with long, shaggy white and brown fur and striking blue eyes. The dog's tongue is hanging out, and it appears happy. The man's hands are resting on the dog's chest. In the background, there is a blurred structure, possibly a barn or shed, and a yellow light source. The overall scene is outdoors and conveys a sense of care and connection.

**GOVERNANCE**

## Governance

### Board-Level and Management Oversight

Our board of directors (“Board”) views oversight and effective management of sustainability-related risks and opportunities as essential to our ability to execute our strategy and achieve long-term sustainable growth. While some directors have sustainability-specific past experience, the Board is well informed of sustainability-related risks and opportunities. Each director can speak to the subject of business-relevant climate risks, and other enterprise-level risks, and the potential financial impacts of climate change on the company. The full Board receives regular updates on a variety of sustainability topics, including sustainability and climate-related matters. These updates occur informally during discussions throughout the year as well as during quarterly committee sessions, including an annual, in-depth strategy and risk management session.

### Environmental, Social, Governance and Nomination Committee (ESGN Committee)

The ESGN Committee, consisting of four (4) independent directors, provides direction and oversight of THOR’s sustainability efforts. As part of its oversight, the ESGN Committee established the THOR Sustainability Committee to design and implement THOR’s sustainability strategies, initiatives and policies and to be responsible for sustainability performance and reporting.

#### THOR Management Oversight – Sustainability Committee

The Sustainability Committee is comprised of select members of senior management and is chaired by THOR’s Vice President ESG. The Sustainability Committee provides operational leadership among the THOR family of companies, helping our companies identify sustainability-related risks and opportunities, establishing consistent metrics to enable meaningful measurement and coordinating the collection of data to enable consistent reporting.

The Sustainability Committee meets at least monthly to ensure consistent progress towards our sustainability goals, and the committee reports to the ESGN Committee at least quarterly.

In order to operationally coordinate and advance sustainability initiatives across the THOR family of companies, we have also established the Sustainability Operating Committee (SOC), comprising executive leaders from each of THOR’s operating companies. The SOC, led by the Vice President ESG, meets monthly to align on the implementation of sustainability initiatives, identify challenges and opportunities, communicate progress towards sustainability goals, identify common metrics and coordinate the collection of data.

#### Audit Committee

The Audit Committee of the Board is made up of four (4) independent directors who oversee our key business and operational risks. As such, the Audit Committee is responsible for overseeing and reviewing THOR’s ERM framework and process, including its governance, risk management practices

and key components to facilitate the identification, measurement, mitigation and reporting of risks. As part of their oversight responsibilities, the Audit Committee reviews and assesses with management key risk exposures and mitigation strategies, including, but not limited to, risks and opportunities associated with innovation, cybersecurity and climate-related issues, such as crisis management for business disruptions from natural disasters and other issues that may be driven by climate change.

#### Compensation Committee

The Compensation Committee is made up of four (4) independent directors who oversee and approve the compensation and incentive plans for members of senior management. The plan relies heavily upon incentive compensation measured by our net before tax profit, return on invested capital and free cash flow.

The foundation of our compensation plan rests upon an annual benchmark process that ensures management pay aligns well with our compensation peers and the market more broadly. Under the plan,

compensation is heavily weighted toward incentive compensation determined by the relative realization of performance metrics that are established annually by the Board.

At this time, the Board does not consider sustainability metrics as part of the compensation and incentive plan. As the Board and management continue to integrate sustainability concerns into discussions of our strategy, the Board will consider the creation of the right incentives for the achievement of sustainability-related goals, many of which are non-financial in nature and need to align with our strategy and business model.



Wilson Jones is among several of our Directors with experience relevant to environmental, social and governance matters. Mr. Jones, while President and Chief Executive Officer of Oshkosh Corporation, emphasized sustainability among that organization’s priorities. Under his leadership, Oshkosh Corporation received prestigious recognition of its ongoing commitment to sustainable business practices when it was added to the Dow Jones Sustainability World Index (DJSI). As a member of the Board’s ESGN Committee, Mr. Jones helps guide THOR’s Sustainability program with his practical, experienced-based insight.

	GOVERNANCE	OVERVIEW
BOARD OVERSIGHT	<b>Board of Directors</b>	The Board views oversight and effective management of Sustainability-related risks as essential to our ability to execute our strategy and achieve long-term sustainable growth. The Board receives regular updates on Sustainability topics, products and offerings. The Board also coordinates with its Committees to ensure active Board and Committee level oversight of THOR's management of Sustainability-related risks across the relevant Committees.
	<b>Environmental, Social, Governance and Nomination Committee</b>	The Environmental, Social, Governance and Nomination Committee provides direction and oversight of THOR's sustainability efforts. As part of its oversight, it established the THOR Sustainability Committee to design and implement THOR's sustainability strategies, initiatives and policies and to be responsible for sustainability performance and reporting.
	<b>Audit Committee</b>	The Audit Committee reviews and assesses the ERM process with management including our risk governance framework, annual risk assessment process, ongoing risk identification process and risk mitigation plans and activities. Discussions include material climate-related issues such as business disruptions from natural disasters and innovative technology.
	<b>Compensation Committee</b>	The Compensation Committee oversees and approves compensation and incentives for members of senior management. As the Company's Sustainability program continues to evolve, the Compensation Committee will consider appropriate incentives for reaching climate-related, non-financial metrics.
EXECUTIVE LEADERSHIP	<b>Chief Executive Officer</b>	Member of the Board and accountable for reporting to the Board on all risks and opportunities including those related to our management of financially material climate-related risks and opportunities.
	<b>Chief Operating Officer</b>	Reports directly to the CEO and the Board (for Sustainability matters) and oversees the Sustainability Committee's management of THOR's Sustainability program, including the governance of climate risks and opportunities.
	<b>Senior Vice President of Administration and Human Resources</b>	Reports directly to the CEO and oversees THOR's DEI efforts and social risks and opportunities as part of THOR's Sustainability program.
	<b>General Counsel</b>	Reports directly to the CEO and oversees the EMS and environmental risks and compliance.
	<b>Vice President ESG</b>	Reports directly to the COO and leads THOR's Sustainability program.
MANAGEMENT SUSTAINABILITY COMMITTEE	<b>Sustainability Committee</b>	The Sustainability Committee, under the leadership of THOR's Vice President ESG, is comprised of our COO and SVP, Admin/HR, along with Corporate team members from legal, human resources and supply chain. The Committee designs and implements THOR's sustainability strategies, initiatives, policies and metrics, providing operational leadership among the THOR family of companies. This Committee reports our sustainability performance and reporting to the ESGN Committee.
	<b>Sustainability Operating Committee</b>	The Sustainability Operating Committee (SOC) is comprised of executive leaders from each of THOR's operating companies. The Committee's goal is to operationally coordinate and advance sustainability initiatives across the THOR family of companies. Under the leadership of THOR's Vice President ESG and the oversight of the Sustainability Committee, the SOC meets monthly to align on the implementation of sustainability initiatives, identify challenges and opportunities, communicate progress towards sustainability goals, identify common metrics and coordinate the collection of data.

### Board Composition and Structure

Excellence in governance starts with an experienced, independent, diverse and accountable Board.

We are proud of the independence of our Board. Currently, eight (8) of the nine (9) directors, including the Chairman and each member of the Board committees, are independent under NYSE standards for independence. In terms of Board diversity, 40% of our Board is made up of women or racially/ethnically diverse directors. Further, we maintain separate positions for our Chairman and our CEO, with only independent directors qualified to serve as Chairman. Our independent directors regularly meet alone, without management present, both at the Board level and at the Committee level.

## Board of Directors



**Andrew Graves**  
Chairman of the Board



**Peter Orthwein**  
Chairman Emeritus and Co-Founder



**Bob Martin**  
President and CEO



**Amelia Huntington**



**Laurel Hurd**



**Wilson Jones**



**Christina Hennington**



**William Kelley**



**Christopher Klein**



Guided by a Board Diversity Policy, we achieve a balance of new and experienced directors through our board refreshment program. Through such measures as a mandatory retirement policy (requiring each director who reaches the age of 72 to submit a resignation to the Board for consideration annually) and the implementation of a contemplated timeline for refreshment of long-standing board members, three (3) new directors have joined our Board within the past two fiscal years, namely William Kelley (November 2020), Christina Hennington (September 2021) and Laurel Hurd (September 2021).

Further, because our Board is declassified, each director stands for election annually. We apply a majority voting standard, requiring submission of resignation from any director who does not receive a majority of votes cast in an uncontested election.

Please consult the Notice of 2022 Annual Meeting of Shareholders and Proxy Statements available at [www.thorindustries.com](http://www.thorindustries.com), for additional information about the structure of our Board, including information about audit and risk, our shareholder rights initiatives, our Board's continued focus on compensation, and Board composition, experience and diversity.

### **Moving toward Closer Alignment with Certain Accepted Frameworks and Standards**

We are committed to complying with evolving regulatory requirements and to transparent, reliable reporting. To that end, we are committed to conforming future reporting to leading frameworks and standards, including the Task Force on Climate-Related Financial Disclosures (TCFD) framework and the Sustainability Accounting Standards Board

(SASB) standards. We are undertaking efforts to implement the TCFD reporting framework and conform reporting to the SASB standards during the fiscal year ending July 31, 2023. We continue to monitor the evolving regulatory environment in an effort to anticipate and prepare for emerging frameworks, standards and regulations.

THOR monitors the ESG-related regulatory environment in the U.S. and Europe to maintain compliance with existing regulations and to develop strategies for compliance with evolving regulations (including the SEC proposed rules to enhance and standardize climate-related disclosures for investors and the SEC proposed rules on cybersecurity risk management, strategy, governance and incident disclosure by public companies.)

### **Information Security Risk Oversight**

We have implemented and regularly review robust security measures and processes designed to prevent and detect unauthorized access to our information systems.

### **Data Privacy and Information Security**

The THOR family of companies collect, generate and maintain a growing body of data derived from a variety of sources including data from internal business functions, personal information provided by our employees through the course of their employment and data collected through our websites, products, mobile applications and other services.

This data has the potential to provide deeper insights into our products, services and operations, to facilitate better evidence-based decision-making

and to provide products and services which are attuned to the needs of dealers and consumers. We recognize these opportunities have inherent risks, and consumers increasingly demand transparency, control and safekeeping with respect to their data. Bad actors are employing increasingly sophisticated means to access data and/or to infiltrate information systems. Data privacy and information security laws and regulations and corresponding compliance obligations continue to become more complex and more diverse.

Failure to appropriately govern the use and collection of data may result in, among other things, data enforcement actions by regulators, civil and criminal legal liability, loss of business assets, disruption of our operations, unauthorized disclosure of information, reputational damage and loss of confidence of consumers and investors. We are committed to sound governance of the data we possess, in a manner which respects the rights of individuals, while providing transparency, complying with applicable laws and regulations and appropriately securing data from unauthorized use or access.

We assess and manage information security and data privacy risk proactively. Our Data Protection Officer (DPO), in coordination with IT, Legal and Internal Audit, among other teams across the organization, stays abreast of regulatory changes, coordinates and evaluates our data collection and privacy practices, coordinates cybersecurity training and assesses and tests data security measures across the THOR family of companies, products and services. Our approach to management of data privacy and information security risks also includes maintaining reasonable policies of information security risk insurance.

### Data Governance

The Board, through its Audit Committee, oversees THOR's information security risk management practices and procedures. Four (4) of the nine (9) directors have significant data privacy and information security risk management experience. The THOR DPO briefs the Board at least quarterly on key data privacy and information security risk management matters.

### Resilience

The RV industry has seen a number of high-profile cyberattacks. While it is not possible to defend against every conceivable threat, we have implemented and regularly review programs to improve our resistance to these types of attacks through administrative and technical safeguards. Our safeguards include the establishment of appropriate and reasonable levels of security, written information technology procedures, procedures governing regular review of our security measures and processes designed to prevent and detect unauthorized access to our information systems. Additionally, each THOR company has an information security training program appropriate for the nature of its operations. We strategically enhance our internal capabilities as needed. For example, we have partnered with several leading cybersecurity firms to improve our ability to detect and recover from attacks on our data.

Although we seek to resist attacks, we also have implemented plans in the event an attack succeeds. Our operating companies have established backup and disaster recovery procedures, as well as incident response plans. We also maintain cyber insurance risk policies with coverages appropriate for the nature and scope of our operations.





# THOR

Go Everywhere. Stay Anywhere.™

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